



**NOTICE OF HON'BLE NATIONAL
COMPANY LAW TRIBUNAL
CONVENED MEETING OF
THE UNSECURED CREDITORS**

ESCORTS KUBOTA LIMITED



Escorts Kubota Limited

ESCORTS KUBOTA LIMITED

CIN - L74899HR1944PLC039088

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

Phone No.: 0129 – 2250222

Email: corp.secretarial@escortskubota.com

Website: www.escortsgroup.com

NOTICE OF HON'BLE NATIONAL COMPANY LAW TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS OF ESCORTS KUBOTA LIMITED

(Being convened pursuant to order dated October 16, 2023 passed by Hon'ble National Company Law Tribunal, Chandigarh Bench, in CA (CAA) No. 35/Chd/Hry/2023)

MEETING:

Day	:	Saturday
Date	:	December 2, 2023
Time	:	10:00 AM (Indian Standard Time)
Venue	:	The deemed venue for the aforesaid Meeting shall be the Registered Office of Escorts Kubota Limited (the “ Company ”), i.e. 15/5, Mathura Road, Faridabad – 121 003, Haryana, India
Mode	:	As per the directions of the Hon'ble National Company Law Tribunal, Chandigarh Bench, the meeting shall be conducted through video conferencing / other audio-visual means with facility of remote e-voting.

REMOTE E-VOTING:

Start Date and Time	:	November 24, 2023 at 09:00 AM (Indian Standard Time)
End Date and Time	:	December 1, 2023 at 05:00 PM (Indian Standard Time)

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BEFORE THE HON'BLE NATIONAL COMPANY LAW TRIBUNAL, CHANDIGARH BENCH

COMPANY APPLICATION NO. CA(CAA) No. 35/Chd/Hry/2023

In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016

And

In the matter of the Composite Scheme of Amalgamation Amongst

ESCORTS KUBOTA INDIA PRIVATE LIMITED (CIN- U34300HR2019FTC078790)

A private limited company incorporated under the Companies Act, 2013 having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India, through its authorized representative, Mr. Prosenjeet Roy, mobile no.: +91 97117546168, e-mail address: prosenjeet.roy@escorts.kubota.com

Amalgamating Company No. 1

AND

KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED (CIN- U29210HR2008FTC093295)

A private limited company incorporated under the Companies Act, 1956 having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India, through its authorized representative, Ms. Kumud Maheshwari, mobile no.: +91 9500127977, e-mail address: kumud.m@kubota.com

Amalgamating Company No. 2

AND

ESCORTS KUBOTA LIMITED (CIN- L74899HR1944PLC039088)

A public limited company incorporated under the Companies Act, 1913 having its registered office at 15/5, Mathura Road, Faridabad - 121003, Haryana, India, through its authorized representative, Satyendra Chauhan, mobile no.: +91 9711154474, e-mail address: satyendra.chauhan@escortskubota.com

Amalgamated Company

AND

their respective Shareholders and Creditors

FORM NO. CAA 2

[Pursuant to Section 230 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016]

**NOTICE OF TRIBUNAL CONVENED MEETING OF THE UNSECURED CREDITORS OF
ESCORTS KUBOTA LIMITED**

To,
The Unsecured Creditors of
Escorts Kubota Limited
(Amalgamated Company or Company or EKL)

Notice is hereby given that by an order dated October 16, 2023 in CA(CAA) No. 35/Chd/Hry/2023 ("Order"), the Chandigarh Bench of the Hon'ble National Company Law Tribunal ("Tribunal" or "NCLT") has directed a meeting to be convened for the Unsecured Creditors ("Creditors") of the Company for the purpose of considering, and if thought fit, approving with or without modification(s), the Composite Scheme of Amalgamation amongst Escorts Kubota India Private Limited (the "Amalgamating Company No. 1"), Kubota Agricultural Machinery India Private Limited (the "Amalgamating Company No. 2") and Escorts Kubota Limited (the "Amalgamated Company") and their respective shareholders and creditors ("Scheme") under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act").

In pursuance of the said order and as directed therein, further notice is hereby given that a meeting of the Unsecured Creditors of the Company will be held on Saturday, December 2, 2023 at 10:00 AM (IST) ("Meeting"). The Meeting will be held through Video Conferencing or Other Audio Visual Means ("VC/OAVM") with the facility of remote e-voting / e-voting

for the meeting, in accordance with the Order of the NCLT. The NCLT Order permit to take all decisions requiring the approval of the Unsecured Creditors, through VC/OVAM, in accordance with the provisions of the Companies Act, 2013 and the Rules made thereunder. The deemed venue for the aforesaid Meeting shall be the Registered Office of the Company i.e. 15/5, Mathura Road, Faridabad - 121003, Haryana, India.

Unsecured Creditors entitled to attend and vote may vote through remote e-voting / e-voting facility made available for the Meeting and attend through VC/OAVM. The facility of appointment of proxies by Unsecured Creditors will not be available for such Meeting. An institutional/ body corporate which is an Unsecured Creditor is entitled to appoint a representative for the purposes of participating and / or vote through remote e-voting or e-voting during the Meeting. The Institutional/ Corporate members while casting the vote on electronic platform(s) shall attach Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Authority Letter" tab displayed under "E-voting" tab in their login or they can also send the same to the scrutinizer at their e-mail ID at poonam22office@gmail.com with a copy to evoting@nsdl.co.in.

Copy of the Notice in relation to the Meeting, together with the documents accompanying the same, including the Explanatory Statement, under Sections 102, 230(3), 232(1), 232(2) of the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("**Explanatory Statement**") along with the Scheme can be obtained free of charge from the registered office of the Company at 15/5, Mathura Road, Faridabad - 121003, Haryana, India between between 01:00 PM to 05:00 PM on all days (except Saturdays, Sundays and public holidays) prior to the date of the Meeting. The Company will furnish a copy of Scheme within one day of any requisition of the Scheme made by any Unsecured Creditor to Company by e-mail at corp.secretarial@escortskubota.com

The Tribunal has appointed Mr. Satwinder Singh, Founder and Managing Partner, Aekom legal, as the Chairperson, Mr. Arvind Seth, Advocate, as alternate Chairperson and Ms. Poonam Verma, as the Scrutinizer for the Meeting including any adjournment or adjournments thereof. The Scheme, if approved in the aforesaid Meeting, will be subject to the subsequent approval of the Tribunal.

TAKE NOTICE that the following resolution is proposed under Section 230(3) of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force) and such other provisions as may be applicable including the Regulation(s) / Circular(s) issued by the Securities and Exchange Board of India, the provisions of the Memorandum of Association and Articles of Association of the Company, for the purpose of considering, and if thought fit, approving with the requisite majority, as per Section 230(6) the Scheme amongst Escorts Kubota India Private Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota Limited and their respective shareholders and creditors:

"RESOLVED THAT pursuant to the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013, the rules, circulars and notifications made thereunder (including any statutory modification or re-enactment thereof) as may be applicable, the provisions of Master Circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time, issued by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, the observation letters with no adverse remarks dated 30th May 2023 and 29th May 2023 issued by BSE Limited and National Stock Exchange of India Limited, respectively and subject to the provisions of the Memorandum and Articles of Association of the Company and subject to the approval of the Hon'ble National Company Law Tribunal, Chandigarh Bench ("Tribunal" or "NCLT") and subject to such other approvals, permissions and sanctions of regulatory and other authorities, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by NCLT or by any regulatory or other authorities, while granting such consents, approvals and permissions, which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to mean and include one or more Committee(s) constituted/to be constituted by the Board or any person(s) which the Board may nominate to exercise its powers including the powers conferred by this resolution), approval of the Unsecured Creditors of the Company be and is hereby accorded to the Composite Scheme of Amalgamation amongst Escorts Kubota India Private Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota Limited and their respective shareholders and creditors ("Scheme").

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion deem requisite, desirable, appropriate or necessary to give effect to this resolution and effectively implement the Scheme and to accept such modifications, amendments, limitations and/or conditions, if any, (including withdrawal of the Scheme), which may be required and/or imposed by the NCLT while approving the Scheme or by any authorities under law, or as may be required for the purpose of resolving any questions or doubts or difficulties that may arise in giving effect to the Scheme, as the Board may deem fit and proper."

Date: October 26, 2023
Place: Faridabad

By order of the Board of Directors
For Escorts Kubota Limited

Registered Office:
ESCORTS KUBOTA LIMITED
15/5, Mathura Road, Faridabad, Haryana – 121 003
CIN - L74899HR1944PLC039088

Sd/-
Satyendra Chauhan
Company Secretary

Notes:

- (1) Please note that pursuant to provisions of Section 230; Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016; Rule 20 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification or re-enactment thereof); Secretarial Standard-2 on General Meetings, and other relevant laws and regulations, as may be applicable, and in accordance with the Order of the Hon'ble NCLT, Company has provided voting by Unsecured Creditors on the proposed resolution through remote e-voting / e-voting facility made available for the Meeting. The Company has appointed National Securities Depository Limited (NSDL) for the purposes of providing for the VC/OAVM facility and for purpose of providing remote e-voting / e-voting for the Meeting. The detailed procedure for participating in the meeting though VC/OAVM is mentioned hereunder in this notice. The deemed venue for the aforesaid Meeting shall be the Registered Office of the Company.
- (2) A copy of the Explanatory Statement, under Sections 102, 230(3), 232(1), 232(2) the Act read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, along with the Scheme and other enclosures as indicated in the Index are enclosed.
- (3) Pursuant to the provisions of the Act, an Unsecured Creditor entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be an Unsecured Creditor of the Company. Since this meeting is being held pursuant to the MCA circulars and directions of NCLT through VC / OVAM facility, physical attendance of Unsecured Creditors has been dispensed with. Accordingly, the facility for appointment of proxies by the Unsecured Creditors will not be available for this meeting and therefore the proxy form, route map and attendance slip are not annexed to this notice.
- (4) Unsecured Creditors entitled to attend and vote may vote through remote e-voting / e-voting facility made available for the Meeting and attend through VC/OAVM. An institutional/ body corporate which is a unsecured Creditor, is entitled to appoint a representative for the purposes of participating and / or vote through remote e-voting or e-voting during the Meeting.
- (5) As per the directions of the NCLT, the quorum of the Meeting of the Unsecured Creditors shall be 2369 in number or 40% in value of the Unsecured Creditors of the Company.
If the quorum for the Meeting is not present at the commencement of the meeting, the meeting shall be adjourned by 30 minutes and thereafter the Unsecured Creditors attending the Meeting through VC/ OVAM facility will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
- (6) The documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Unsecured Creditors at the registered office of the Company between 01:00 PM to 5:00 PM (IST) on all days (except Saturdays, Sundays and public holidays) upto the date of the Meeting. However, the same shall also be open for inspection during the aforesaid Meeting.
- (7) In compliance with Hon'ble NCLT Order dated 16th October 2023, Notice in relation to the Meeting, together with the documents accompanying the same, is being sent to the Unsecured Creditors of the Company as follows –
 - (i) Notices to Unsecured Creditors of the Company having outstanding debt of more than or equal to INR 5,00,000 as on 16th October 2023 shall be sent through courier.
 - (ii) Notices to Unsecured Creditors of the Company having outstanding debt of less than INR 5,00,000 as on 16th October 2023 shall be sent through electronic mode (e-mail) whose e-mail IDs are registered with the Company and in case of creditors whose email IDs are not registered, the same will be sent through courier for communication purposes. Further, Hon'ble NCLT has directed that Unsecured Creditors having outstanding debt of less than INR 5,00,000 shall not be entitled to vote in the meetings, however, such unsecured creditors may submit their representations on the Scheme, if any, to the Hon'ble NCLT and a copy of the same shall be simultaneously served to the Company.
 - (iii) The notice may also be accessed on the website of the amalgamated Company i.e Escorts Kubota Limited at <https://www.escortsgroup.com/investors/overview.html> website of Stock Exchanges i.e. BSE Limited www.bseindia.com and NSE Limited www.nseindia.com and on the website of NSDL at www.evoting.nsdl.com.
- (8) In terms of directions contained in the Order, the notice convening the Meeting will be published through advertisement in (i) Financial Express in Delhi NCR Edition, in the English language and (ii) in Jansatta, Delhi NCR Edition, in Hindi language, in addition the said notice will also be published in country wide edition of Financial Express, English language, as per applicable provision of law.
- (9) The NCLT has appointed Ms. Poonam Verma as the Scrutinizer for conducting the remote e-voting and e-voting for the meeting. The Scrutinizer shall submit her Consolidated Report within two working days from the conclusion of the Meeting to the Chairman of the Meeting or a person authorized by him in writing. The Scrutinizer's decision on the validity of the votes cast shall be final.

The results, together with the scrutinizer's reports, will be displayed at the registered office of the Company situated at 15/5, Mathura Road, Faridabad – 121 003, Haryana, on the website of the Company, <https://www.escortsgroup.com/investors/overview.html> besides being communicated to BSE Limited and The National Stock Exchange of India Limited (collectively, the "Stock Exchanges") where the equity shares of the Company are listed and also on the website of NSDL at www.evoting.nsdl.com

- (10) In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be acted upon only if the resolution mentioned above in the notice has been approved by the majority in persons representing three fourth in value, of the Unsecured Creditors, voting through remote e-voting / e-voting facility made available for the Meeting.
- (11) The Unsecured Creditors desiring to attend this Meeting through VC/OAVM and exercising their vote through remote e-voting / e-voting made available during the Meeting, are requested to carefully follow the instructions set out in the notes below under the heading "Voting through Remote E-voting".
- (12) The Notice shall be sent to those Unsecured Creditors whose principal amount due for payment as on October 16, 2023 (i.e. the date of NCLT Court order). Further, the voting rights of Unsecured Creditors shall be in proportion to the principal amount due to them by the Company as on the Date of the NCLT order i.e. October 16, 2023.
- (13) It is clarified that cast of votes by remote e-voting (prior to the Meeting) does not disentitle an Unsecured Creditor from attending the Meeting. However, an Unsecured Creditor who has voted through remote e-voting prior to the Meeting cannot vote again through e-voting during the Meeting. The Unsecured Creditors of Company attending the Meeting through VC/ OAVM who have not cast their vote through remote e-voting prior to the Meeting shall be entitled to exercise their vote using the e-voting facility made available during the Meeting through VC/ OAVM.

(14) Voting through Remote E-voting

The instructions for Unsecured Creditors voting (Creditors or Unsecured Creditors) electronically are as under:

The remote e-voting period will commence on Friday, November 24, 2023 at 09:00 AM (IST) and ends on Friday, December 1, 2023 at 05:00 PM (IST) During this period Unsecured Creditors of the Company as on the Cut-off Date October 16, 2023, may cast their vote electronically and voting shall not be allowed beyond the said date and time. The remote e-voting module shall be disabled by NSDL for voting thereafter.

Once the vote on the resolution is cast by an Unsecured Creditor, whether partially or otherwise, it shall not be allowed to change subsequently. In case you do not desire to cast your vote, it will be treated as "ABSTAINED".

Unsecured Creditors who have already voted prior to the meeting date would not be entitled to vote during the meeting.

In case of any query and/ or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of www.evoting.nsdl.com or call on 022-48867000 or 022-24997000 or send an e-mail to Ms. Pallavi Mhatre, Senior Manager, NSDL at evoting@nsdl.co.in.

The other instructions of the remote e-voting are as under:-

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
4. Your Login id and password details casting your vote electronically and for attending the Meeting of Creditors through VC/ OAVM are mentioned in this notice/ covering letter or provided through e-mail.
5. For the first time the system will ask to reset your password.
6. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
7. Now, you will have to click on "Login" button.
8. After you click on the "Login" button, Home page of e-Voting will open.
9. You will be able to see the EVEN No. i.e. 126977 of the company/ meeting.
10. Click on "EVEN" to cast your vote.
11. Now you are ready for e-Voting as the Voting page opens.
12. Cast your vote by selecting appropriate options i.e. assent or dissent, and click on "Submit" and also "Confirm" when prompted.
13. Upon confirmation, the message "Vote cast successfully" will be displayed.

14. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
15. Once you confirm your vote on the resolution, you will not be allowed to modify your vote
16. If you face any problems/ experience any difficulty or If you forgot your password please feel free to contact on 022 - 4886 7000 and 022 - 2499 7000 or contact on email id evoting@nsdl.co.in

Instructions for creditors for e-voting on the day of the unsecured creditor meeting are as under:

1. The procedure for e-Voting on the day of the Creditor Meeting is same as the instructions mentioned above for remote e-voting.
2. Only those Creditors, who will be present in the Creditors meeting through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the Creditors Meeting.

Instructions for creditors for attending the creditors meeting through VC / OAVM are as under:

1. Creditors will be provided with a facility to attend the Creditors Meeting through VC / OAVM through the NSDL e-Voting system. Creditors may access the same at <https://www.evoting.nsdl.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/ OAVM will be available in the shareholder/ members login where the EVEN of Company/ Meeting will be displayed.

Ms. Poonam Verma, the Scrutinizer shall unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the meeting / the Company Secretary of the Company.

The Results declared along with the Scrutinizer's Report shall be disseminated on the website of the stock exchanges, i.e. BSE Limited and National Stock Exchange of India, the Company's website <https://www.escortsgroup.com/investors/overview.html> and on the website of service provider www.evoting.nsdl.com within two working days from the conclusion of the Meeting.

Date: October 26, 2023

Place: Faridabad

**By order of the Board of Directors
For Escorts Kubota Limited**

Registered Office:

ESCORTS KUBOTA LIMITED

15/5, Mathura Road, Faridabad, Haryana – 121 003

CIN - L74899HR1944PLC039088

**Sd/-
Satyendra Chauhan
Company Secretary**

Encl.: As above

COMPANY APPLICATION NO. CA (CAA) No. 35/Chd/Hry/2023

**In the matter of Sections 230-232 and other applicable provisions of the Companies Act, 2013
read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016**

And

In the matter of the Composite Scheme of Amalgamation

Amongst

ESCORTS KUBOTA INDIA PRIVATE LIMITED (CIN- U34300HR2019FTC078790)

A private limited company incorporated under the Companies Act, 2013 having its registered office at
18/4, Mathura Road, Faridabad - 121007, Haryana, India, through its authorized representative,
Mr. Prosenjeet Roy, mobile no.: +91 9717546168, e-mail address: prosenjeet.roy@escorts.kubota.com

Amalgamating Company No. 1

AND

KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED (CIN- U29210HR2008FTC093295)

A private limited company incorporated under the Companies Act, 1956 having its registered office at
18/4, Mathura Road, Faridabad - 121007, Haryana, India, through its authorized representative,
Ms. Kumud Maheshwari mobile no.: +91 9500127977, e-mail address: kumud.m@kubota.com

Amalgamating Company No. 2

AND

ESCORTS KUBOTA LIMITED (CIN- L74899HR1944PLC039088)

A public limited company incorporated under the Companies Act, 1913 having its registered office at
15/5, Mathura Road, Faridabad - 121003, Haryana, India, through its authorized representative,
Mr. Satyendra Chauhan, mobile no.: +91 9711154474, e-mail address: satyendra.chauhan@escortskubota.com

Amalgamated Company

AND

their respective Shareholders and Creditors

**EXPLANATORY STATEMENT UNDER SECTIONS 102, 230(3), 232(1), 232(2) OF THE COMPANIES ACT, 2013 READ
WITH RULE 6 OF THE COMPANIES (COMPROMISES, ARRANGEMENTS AND AMALGAMATIONS) RULES, 2016 AND
THE SECURITIES AND EXCHANGE BOARD OF INDIA MASTER CIRCULAR NO. SEBI/HO/CFD/POD-2/P/CIR/2023/93
dated June 20, 2023**

1. Pursuant to the order dated October 16, 2023 passed by the Hon'ble National Company Law Tribunal, Chandigarh Bench ("NCLT"), in the Company Application Number No. CA(CAA) No. 35/Chd/Hry/2023 ("Order"), a meeting of the Unsecured Creditors ("Creditors") of Escorts Kubota Limited (hereinafter referred to as the "Amalgamated Company" or "EKL" or "Company" as the context may admit) ("Meeting") is being convened and held through video conferencing or other audio visual means ("VC / OAVM") on Saturday, December 2, 2023 at 10:00 AM (IST), for the purpose of considering, and if thought fit, approving, with or without modification(s), the resolution seeking approval for the Composite Scheme of Amalgamation amongst Escorts Kubota India Private Limited (the "Amalgamating Company No. 1"), Kubota Agricultural Machinery India Private Limited (the "Amalgamating Company No. 2") and Escorts Kubota Limited (the "Amalgamated Company") and their respective shareholders and creditors under Sections 230 - 232 and other applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder (the "Scheme").
2. NCLT, by its order, has, *inter alia*, held that since the Company is directed to convene a Meeting of its Unsecured Creditors and the voting in respect of the Unsecured Creditors is through remote e-voting / e-voting for the meeting..
3. Ms. Poonam Verma, the Scrutinizer for conducting the remote e-voting and e-voting for the meeting. The Scrutinizer shall submit her Consolidated Report within two working days from the conclusion of the Meeting to the Chairman of the Meeting or a person authorized by him in writing. The Scrutinizer's decision on the validity of the votes cast shall be final.
4. The Copy of the Composite Scheme of Amalgamation is enclosed herewith as **Annexure 1** to this Notice for convening the meeting.

5. In terms of the said Order, NCLT, has appointed Mr. Satwinder Singh, Founder and Managing Partner, Aekom legal, as the Chairperson, Mr. Arvind Seth, Advocate, as alternate Chairperson and Ms. Poonam Verma, as the Scrutinizer for the Meeting of Unsecured Creditors of EKL including for any adjournment or adjournments thereof.
6. In accordance with the provisions of Sections 230-232 of the Act, the Scheme shall be considered approved by the Unsecured Creditors and acted upon only if resolution mentioned above in the notice has been approved by a majority in person representing three fourths in value of the Unsecured Creditors of the Company, voting through remote e-voting and e-voting for the Meeting.

Particulars of ESCORTS KUBOTA INDIA PRIVATE LIMITED:

7. Escorts Kubota India Private Limited ("Amalgamating Company No. 1") is a private limited company, incorporated under the Companies Act, 2013 on 23rd February 2019, having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India.

Its Corporate Identity Number ('CIN') is U34300HR2019FTC078790 and Permanent Account Number ('PAN') is AAFCE3923J and the email id of the Company is information@escorts.kubota.com

8. The main objects of the Amalgamating Company No.1 are set out in its Memorandum of Association and are set out hereunder:

"To carry on the business of manufacturers and seller of agricultural tractors and related tractor equipment and implements and parts and things thereof, including undertaking of cost-saving measures through research and development.

To carry on the business of importers and exporters of agricultural tractors and related tractor equipment and implements and parts and things thereof."

9. The Amalgamating Company No. 1 is engaged in the business of production and sale of tractors for the Indian and global markets.
10. The authorized, issued, subscribed and paid-up share capital of the Amalgamating Company No. 1 as on September 30, 2023 is as under:

Particulars	Amount (in INR)
Authorized Capital	
3,00,00,000 equity shares of 100 each	3,00,00,00,000
Total	3,00,00,00,000
Issued, Subscribed And Paid-Up Capital	3,00,00,00,000
3,00,00,000 equity shares of 100 each	3,00,00,00,000

Subsequent to September 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of the Amalgamating Company No. 1. Further, there is no change in the name, registered office and objects of the Company since the date of its incorporation.

11. The details of the Directors and Promoter / Promoter Group of the Amalgamating Company No. 1 as on September 30, 2023, along with their addresses are as follows:

Directors of Amalgamating Company No. 1 –

Sr. No.	Name	Address
1.	Mr. Dai Watanabe	2-15-15, Midorigaoka, Osaka Prefecture, Toyonaka, Japan, 5600002
2.	Mr. Nikhil Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi-110074
3.	Mr. Yoshimitsu Ishibashi	1-2-20-801, Bandaihigashi Sumiyhoshi-KU, Osaka Prefecture, Osaka, Japan, 5580056
4.	Mr. Seiji Fukuoka	6-16-39, Minamiku Akasakadai, Osaka Prefecture, Sakai, Japan, 5900144
5.	Mr. Hardeep Singh	608 A, The Aralias, Dlf Golf Links, DLF Phase 5, Gurugram, 122009, HARYANA
6.	Mr. Katsunori Asano	Plot No B-37, 2 nd Floor, Sushant Lok-II, Gurugram, 122011, Haryana
7.	Mr. Nandkumar Sitaram Rane	C2/602, Uniworld City, Sector-30, Gurugram, 122001, Haryana
8.	Mr. Nobushige Ichikawa	3-17-20, Nozomino, Izumi City, 5941105, Japan
9.	Mr. Akira Kato	3-12-508, Furuedai-5 ChomeSuita City, Osaka Japan, 5650874
10	Mr. Bharat Madan	Flat No-1201, Tower-7, The Close South, Sector-50, Nirvana Country, Gurgaon, Haryana-122018

Details of Promoter/Promoter Group of Amalgamating Company No. 1 –

Sr. No.	Name	Address
Details of Promoter:		
1.	Kubota Corporation	2-47, Shikitsuhigashi, 1-chome, Naniwa-Ku, Osaka, Japan, 5568601
2.	Escorts Kubota Limited	15/5, Mathura Road, Faridabad - 121003, Haryana

Particulars of KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED:

12. Kubota Agricultural Machinery India Private Limited ("Amalgamating Company No. 2" or "KAI") is a private limited company, incorporated under the Companies Act, 1956 on 05th December 2008, having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India.

The registered office of Amalgamating Company No. 2 was changed from the state of Tamil Nadu to the state of Haryana, pursuant to the order of the Registrar of Companies, New Delhi dated March 2, 2021. Upon the issuance of a certificate of registration of Regional Director order for Change of State dated February 1, 2021, the registered office of the Amalgamating Company No. 2 changed from TVH Belicia Towers, 8th Floor, Tower-I, Block No. 94, MRC Nagar, Chennai-600028, Tamil Nadu to 18/4, Mathura Road, Faridabad - 121007, Haryana, India.

Its Corporate Identity Number ('CIN') is U29210HR2008FTC093295 and Permanent Account Number ('PAN') is AADCK5472E and the email id of the Company is kai_g.secretary@kubota.com

13. The main objects of Amalgamating Company No. 2 are set out in its Memorandum of Association and are set out hereunder:

- "(1) To import, sell, service, repair, assemble, manufacture, alter, equip, fit, maintain, operate, overhaul, recondition, purchase, and test, tractors, combine harvesters, rice transplanters, engines, implements, accessories, and related components, service parts and attachments, including tires and generally to deal in all types of and other agricultural machineries and engines and their parts and components.*
- (2) To provide marketing, sales and support services, consultancy services, maintenance both regular and irregular, specialized after sales services or any other business related activity in relation to agricultural machinery, engines and service related to the agricultural, engine and other sector.*
- (3) To procure equipment, parts and other materials, support services in Construction Machinery, Piping systems, water treatment facilities, engine including and not restricted to dealing in heavy machinery in agricultural sector, Construction sector, Piping sector and such other allied sectors and services in relation to the business.*
- (4) *To import, sell, service, repair, assemble, manufacture, alter, equip, fit, maintain, operate, overhaul, recondition and purchase construction machinery and related components, service parts, attachments and to provide marketing, sales and support services, consultancy services, maintenance both regular and irregular, specialized after sales services or any other business related activity in relation to construction machinery."*

**Altered vide Extra-Ordinary General Meeting dated January 27, 2021*

There is no change in the object clause of the Company except point no 4 above which has been added on January 27, 2021. Further, there is no change in the name of the Company during the last 5 years.

14. Amalgamating Company No. 2 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, construction equipment and rice transplanters, and other agricultural machineries manufactured or assembled by Kubota Corporation, Japan (including those manufactured or assembled by Kubota Corporation's subsidiaries), as well as implements, accessories and spare parts of the foregoing.
15. The authorized, issued, subscribed and paid-up share capital of Amalgamating Company No. 2 as on September 30, 2023 is as under:

Particulars	Amount (in INR)
Authorized:	
50,000,000 Equity shares of INR 10 each	50,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up:	
50,000,000 Equity shares of INR 10 each, fully paid up	50,00,00,000
Total	50,00,00,000

Subsequent to September 30, 2023, there has been no change in the authorized, issued, subscribed and paid-up share capital of Amalgamating Company No. 2.

16. The details of the directors and Promoter / Promoter Group of Amalgamating Company No. 2 as on September 30, 2023, along with their addresses are as follows:

Directors of Amalgamating company No. 2 –

Sr. No.	Name	Address
1	Mr. Hisakazu Kitanobo	3-6-1, Shigino-higashi, Osaka City, Jotoku, Osaka, Japan- 5360013
2	Mr. Bharat Madan	Flat No. 1201 , Tower 7, The Close South, Nirvana Country, Sector – 50, Gurgaon – 122018
3	Mr. Shintaro Seshimoto	Flat no H 24, Park Heights, The Park Place, DLF City Phase, Gurgaon, Haryana
4	Mr. Gurmeet Singh Grewal	K-901 Laburnum Park Magarpatta city, Behind Seasons Mall Pune City Hadapsar, Pune - 411028 Maharashtra INDIA
5	Mr. Harish Lalchandani	A2-112, Sobha Quartz Outer Ring Road, Bellandur VLG Bangalore South, Bangalore-560103

Promoter/Promoter Group of Amalgamating Company No. 2 -

Sr. No.	Name	Address
Details of Promoter:		
1	Kubota Corporation	2-47, Shikitsu Higashi, 1-chome, Naniwa-Ku, Osaka, Japan, 5568601
2	Escorts Kubota Limited	15/5, Mathura Road, Faridabad - 121003, Haryana

Particulars of ESCORTS KUBOTA LIMITED:

17. Escorts Kubota Limited (“Amalgamated Company” or “EKL”) is a public limited company, incorporated under the Companies Act, 1913 on 17th October 1944, having its registered office at 15/5, Mathura Road, Faridabad - 121003, Haryana, India . Pursuant to the effectiveness of Section 24 of the Companies Act, 1956, the word ‘Private’ was added before the word ‘Limited’ in the name of the Amalgamated Company and the name of the Amalgamated Company was changed to ‘Escorts (Agents) Private Limited’. Further, consequent to the fresh certificate of incorporation dated January 18, 1960, issued upon change of name by the Registrar of Companies, Delhi and Haryana, the name of the Amalgamated Company was changed from ‘Escorts (Agents) Private Limited’ to ‘Escorts Limited’. Furthermore, consequent to the fresh certificate of incorporation pursuant to change of name dated June 9, 2022, issued by the Registrar of Companies, NCT of Delhi and Haryana, the name of the Amalgamated Company was changed from ‘Escorts Limited’ to ‘Escorts Kubota Limited’. The equity shares of Amalgamated Company are listed on BSE Limited and National Stock Exchange of India Limited. However, there has been no change in the registered office and objects of Amalgamated Company in the last 5 years. Its Corporate Identity Number (‘CIN’) is L74899HR1944PLC039088 and Permanent Account Number (‘PAN’) is AAACE0074B and the email id of the Company is corp.secretarial@escortskubota.com.
18. The main objects of Amalgamated Company are set out in its Memorandum of Association and are set out hereunder:
- To carry on the business manufacturing, developing, designing, improving, hiring, repairing, buying, selling, dealing in importing and exporting ferrous and non-ferrous castings of all kinds and in particular chilled and malleable castings, special alloy castings, steel castings, gun metal, copper, brass, aluminium castings and foundry work of all kinds and forgings of all types of ferrous and non-ferrous metals and in any weight for any industry whatsoever.*
 - To carry on or promote any business, commercial, financial or otherwise under sound principles or to act as distributors, agents or managing agents on commission and on /or allowances as may be deemed fit.*
 - To export, import, produce, manufacture, buy, sell, barter, exchange, pledge, make advances upon or otherwise deal in goods, produce articles and merchandise of all kinds and power such as electrical, steam gas or otherwise and, land, farms, buildings, mines, quarries and other properties tangible, intangible whatsoever.*
 - To establish, acquire and carry on factories, mills, works, workshops or stores in India or outside and to purchase, lease or otherwise acquire, carry on, develop and improve any business.*
 - To manufacture, export, buy, sell, repair, and/or service or otherwise deal in pistons, piston rings, piston pins, cylinder sleeves, circlips, connecting rods, gaskets and other automotive parts, shock absorbers both railway and automotive types, railway brakes, railway couplers, railway track equipment of various types, railway buffers and buffer springs, brake blocks of all types, diesel, petrol, multifuel internal combustion engines, all types of motorcycles, scooters, scooterettes and autocycles, trucks, motor vehicles, tractors, trailers of all types, internal transport equipment of all types, agricultural implements and farm equipment of all kinds, earth moving and construction equipment, steel structurals, cranes, pumps of all types, x-ray apparatus, and electro-medical equipment including x-ray tubes, fluorescent and intensifying screens, tubular heating elements, electrical appliances and other allied equipment, equipment of power generation, diesel, steam, gas and hydel, engineering equipment electrical or mechanical of all kinds, gear and transmission equipment for transport or other vehicles and razor blades and all*

things used in or in connection with the above mentioned things and all machinery, implements, spare parts, appliances, apparatuses, lubricants and all other things capable of being used therewith or in manufacture, maintenance and working thereof.”

19. Amalgamated Company is engaged in the business of manufacturing and sale of various agricultural tractors, construction equipment, railway products, implements and spares thereof.

20. The authorized, issued, subscribed and paid-up share capital of Amalgamated Company as on September 30, 2023 is as under:

Particulars	Amount (in INR)
Authorized:	
40,10,00,000 Equity shares of INR 10 each	4,01,00,00,000
88,80,00,000 Unclassified shares of INR 10 each	8,88,00,00,000
Total	12,89,00,00,000*
Issued, Subscribed and Paid-up:	
11,04,98,261 Equity shares of 10 each	1,10,49,82,610
Total	1,10,49,82,610*

* The post amalgamation capital structure of the company shall be as follows:

Authorised Share capital	Issued, Paid Up and Subscribed Share Capital
₹ 1639 Cr./-	₹ 111.87 Cr./-

There has been no change in the capital structure of the Amalgamated Company post September 30, 2023.

21. The details of the directors and Promoters/ Promoter Group of Amalgamated Company as on September 30, 2023, along with their addresses are as follows:

Directors of Amalgamated Company –

Sr. No.	Name	Address
1	Mr. Nikhil Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi - 110074
2	Mr. Hardeep Singh	608A, The Aralias, DLF Golf Links, DLF Phase – 5, Gurgaon – 122 009
3	Ms. Nitasha Nanda	2, Friends Colony West, New Delhi – 110 065
4	Mr. Sunil Kant Munjal	29-A, Friends Colony (West), New Delhi – 110 065
5	Ms. Tanya Dubash	Hasman Bungalow, 89B, Bhulabhai Desai Road, Mumbai – 400 026
6	Mr. Harish N. Salve	Flat 19, Park Towers, 2 Brick Street, London W1J 78D, UK
7	Mr. Dai Watanabe	2-15-15, Midorigaoko, Osaka Prefecture, Toyonaka – 5600002, Japan
8	Mr. Yuji Tomiyama	1040-1-706, Nakaku Fukuda, Sakai City, Osaka 599-8241, Japan
9	Mr. Seiji Fukuoka	6-16-39, Minamiku Akasakadai, Sakai City, Osaka- 59001444, Japan
10	Mr. Shiro Watanbe	6-6-12, Morikitamachi Higashinada-ku-Kobe City, Hyogo Prefecture- 658-0001, Japan
11	Mr. Ravindra Chandra Bhargava	220, Sector-15A, Noida, G.B Nagar-201301
12	Mr. Kenichiro Toyofuku	4/9, Ground Floor, Rear Apartment, Shanti Niketan, New Delhi-110021
13	Mr. Vimal Bhandari	164-A, Kalpataru, Horizon, SK Ahire Marg, Worli, Mumbai-400018
14	Ms. Reema Rameshchandra Nanavati	5, Panchshil Society, Opposite Khateswar Hospital, Usmanpura Railway Crossing, Usmanpura, Ahmedabad, Gujarat-380014
15	Mr. Yasukazu Kamada	George, Gerswinlaan 121, Amsterdam 108MT, The Netherlands
16	Mr. Manish Sharma	C-451, C-Block, Gate No-1, Sushant Lok-1, Galleria, DLF-IV, Gurgaon, Haryana-122009
17	Mr. Bharat Madan	Flat No. 1201, Tower-7, The Close South, Sector-50, Nirvana Country, Gurgaon, Haryana – 122018
18	Dr. Rupinder Singh Sodhi	B-18, Parth Township, Bakrol Vadtal Road, Bakrol, Anand, Gujarat-388315

Promoters of Amalgamated Company -

Sr. No.	Name	Address
1	Mr. Nikhil Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi - 110074
2	M/s Kubota Corporation	2-47, Shikitsuhigashi 1-chome, Naniwa-ku, Osaka 556-8601 Japan

Promoter Group of Amalgamated Company -

Sr. No.	Name	Address
1	Ms. Shweta Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi - 110074
2	Ms. Nitasha Nanda	2, Friends Colony (West), New Delhi-110 065
3	Ms. Navya Naveli Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi - 110074
4	Mr. Agastya Nanda	Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi - 110074
5	Mr. Hardeep Singh	The Aralias , 608A, DLF Golf and Country Club, Gurgaon - 122009
6	AAA Portfolios Private Limited	Plot No. 38, Sector-6, Faridabad, Haryana-121006, India
7	Big Apple Clothing Private Limited	Plot No. 38, Sector-6, Faridabad, Haryana-121006, India
8	Invigorated Business Consulting Limited (Formerly Escorts Finance Limited)	Plot No. 19, Industrial Area, Phase 2 NA Chandigarh, 160002, India
9	Har Parshad and Company Private Limited	155, Upper Ground Floor, Okhla Industrial Estate, Phase-3 New Delhi, South Delhi, Delhi-110020, India
10	Sietz Technologies India Private Limited	Plot No. 38, Sector-6, Faridabad, Haryana-121006, India
11	Niky Tasha Communications Private Limited	Plot No. 97, Sector-6 Faridabad, Haryana-121006 India
12	Niky Tasha Energies (P) Ltd	Plot No. 97, Sector-6, Faridabad, Haryana-121006 India
13	Escorts Benefit and Welfare Trust	15/5, Mathura Road, Faridabad- 121003, Haryana, India
14	Charak Ayurvedic Treatments Private Limited	Second Floor, Shop No 118 Tikona Park, NIT Faridabad, Haryana-121001, India

22. **Details of outstanding debts / loans as well as details of other liabilities, trade payables and current liabilities which are payable by the unlisted entities (as on Appointed Date i.e. 1st April, 2023) and which are proposed to be transferred to Amalgamated Company, i.e. Escorts Kubota Limited as part of the Scheme –**

(Amount in Rupees)

Type of Loan / Debt	Escorts Kubota India Private Limited	Kubota Agricultural Machinery India Private Limited
Current Borrowings	1,44,50,81,313.38	Nil
Non-Current Borrowings	73,56,03,378.15	Nil
Other Non-Current Financial Liabilities	Nil	Nil
Other Non-Current Lease Liabilities	63,366,331.33	281060754.7
Other Non-Current Provisions	84,564,028.99	120714920.6
Current Financial Liabilities (Trade Payables)	1,752,952,564.64	5805703694.51
Other Current Financial Liabilities	64,414,832.09	200910766.04
Other Current Lease Liabilities	120,497,889.64	147718776.2
Other Current Provisions	426,446,171.15	200893939.5
Other Current Liabilities	19,883,508.94	69157763.11

23. **Board Meeting approving the Composite Scheme of Amalgamation.**

The Composite Scheme of Amalgamation was unanimously approved by the Board of Directors of Amalgamating Company No. 1, Amalgamating Company No. 2 and Amalgamated Company vide resolutions passed at their respective Board Meetings held on 15th September 2022 after taking on record the Valuation report dated 15th September 2022, issued by registered valuer, Mr. Niranjana Kumar (IBBI Registration No.- IBBI/RV/06/2018/10137).

Names of the directors who voted in favour of the resolution, who voted against the resolution and who did not vote or participate on such resolutions:

A. ESCORTS KUBOTA INDIA PRIVATE LIMITED (Amalgamating Company No. 1):

Name of the Directors of Amalgamating Company No. 1 present in the Meeting	Voted in Favour/ Against/ Abstain from voting
Mr. Dai Watanabe	Voted in Favour
Mr. Nikhil Nanda	Voted in Favour
Mr. Yoshimitsu Ishibashi	Absent from the Meeting, on Leave of Absence
Mr. Seiji Fukuoka	Voted in Favour
Mr. Hardeep Singh	Voted in Favour
Mr. Katsunori Asano	Voted in Favour
Mr. Nobushige Ichikawa	Absent from the Meeting, on Leave of Absence
Mr. Akira Kato	Absent from the Meeting, on Leave of Absence
Mr. Shailendra Agrawal	Voted in Favour (ceased to be Director w.e.f February 3, 2023)
Mr. Ahswani Kumar Malik	Voted in Favour (ceased to be Director w.e.f June 7, 2023)

B. KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED (AMALGAMATING COMPANY NO. 2):

Name of the Directors of Amalgamating company No. 2 present in the Meeting	Voted in Favour/ Against/ Abstain from voting
Mr. Gurmeet Singh Grewal	Voted in Favour
Mr. Bharat Madan	Voted in Favour
Mr. Shintaro Seshimoto	Voted in Favour
Mr. Hisakazu Kitanobo	Voted in Favour
Mr. Shenu Agarwal	Voted in Favour (ceased to be Director w.e.f November 30, 2022)

C. ESCORTS KUBOTA LIMITED (AMALGAMATED COMPANY):

Name of the Directors of Amalgamated Company present in the Meeting	Voted in Favour/ Against/ Abstain from voting
Mr. Nikhil Nanda	Voted in Favour
Mr. Hardeep Singh	Voted in Favour
Ms. Nitasha Nanda	Voted in Favour
Dr. Sutanu Behuria	Voted in Favour (ceased to be Director w.e.f July 14, 2023)
Mr. Shailendra Agrawal	Voted in Favour (ceased to be Director w.e.f February 3, 2023)
Mr. Dai Watanabe	Voted in Favour
Mr. Yuji Tomiyama	Voted in Favour
Ms. Tanya Dubash	Voted in Favour
Mr. Ravindra Chandra Bhargava	Voted in Favour
Mr. Kenichiro Toyofuku	Voted in Favour
Mr. Seiji Fukuoka	Voted in Favour
Mr. Shiro Watanabe	Voted in Favour
Mr. Vimal Bhandari	Voted in Favour
Ms. Reema Nanavat	Voted in Favour
Mr. Yasukazu Kamada	Voted in Favour
Mr. Manish Sharma	Voted in Favour
Mr. Sunil Kant Munjal	Not present in the meeting since Leave of absence was granted to him
Mr. Harish Salve	Not present in the meeting since Leave of absence was granted to him

24. Brief details of the Scheme

S. No.	Particulars	Particulars
i.	Parties involved in the Scheme	<ul style="list-style-type: none"> Escorts Kubota India Private Limited (Amalgamating Company No. 1) Kubota Agricultural Machinery India Private Limited (Amalgamating Company No. 2) Escorts Kubota Limited (Amalgamated Company)
ii.	Relationship between the Companies	<p>The companies involved in the Scheme have following relationship with each other-</p> <ul style="list-style-type: none"> The Amalgamating Company No. 1 is a joint venture of the Amalgamated Company wherein Amalgamated Company holds 40% (Forty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 1 and 60% (Sixty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 1 is held by Kubota Corporation, Japan (KBT) The Amalgamating Company No. 2 is also a joint venture of the Amalgamated Company wherein Amalgamated Company holds 40% (Forty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 2, and 60% (Sixty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 2 is held by KBT.
iii.	Scheme of Arrangement	<p>The Scheme <i>inter alia</i> provides for:</p> <ol style="list-style-type: none"> Amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into and with the Amalgamated Company, in the manner set out in the Scheme; and Various other matters consequential or otherwise integrally connected herewith.
iv.	Appointed Date	The opening of business hours on April 01, 2023 or such other date as may be approved by the NCLT, with effect from which the Scheme will be deemed to be effective in the manner described in the Scheme.
v.	Effective Date	The date on which the order of NCLT sanctioning the Scheme or any particular parts of the Scheme, is filed with the Registrar of Companies.
vi.	Summary of Valuation Report, Share Exchange Ratio and Fairness Report	<p>The report on recommendation of fair value dated 15th September 2022 issued by Mr. Niranjana Kumar, Registered Valuer, in relation to the Scheme, has recommended following Share Exchange Ratio -</p> <ol style="list-style-type: none"> <p>Merger of Amalgamating Company No.1 and Amalgamating Company No. 2 into and with the Amalgamated Company:</p> <p>Following share exchange ratio has been determined for the allotment of the equity shares of the Amalgamated Company having face value of ₹ 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><i>"5 (Five) equity shares of EKL having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in EKI having face value of INR 100 each fully paid up."</i></p> <p>Following share exchange ratio has been determined for the allotment of the equity shares of the Amalgamated Company having face value of ₹ 10/- each to the shareholders of the Amalgamating Company No. 2 as on the Effective Date (as per the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 2. with and into the Amalgamated Company.</p> <p><i>"5 (Five) equity shares of EKL having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in KAI having face value of INR 10 each fully paid up."</i></p>

S. No.	Particulars	Particulars
		<p>Further, since the equity shares of the Amalgamated Company are listed on Stock Exchanges, a Fairness Report dated 15th September 2022 issued by Fedex Securities Private Limited (Registration Number – INM000010163), was obtained. The Fairness Report has been issued in respect of the Valuation Report.</p> <p>The Valuation Report and Fairness Report are available for inspection at the registered office of Amalgamated Company.</p>
vii.	Basis of Valuation	In the present case, equity shares of EKL are listed on NSE and BSE, and are widely held, regularly and frequently traded with reasonable volumes on the exchanges. Thus, Market Price Approach has been used to value the equity shares of EKL. Further, Income Approach - Discounted Cash Flow Method has been adopted for the valuation of shares of EKI and KAI.
viii.	Rationale of the Scheme or the benefits of the Scheme as perceived by the Board of Directors of the Company to the Company, Shareholders, Creditors and Others	<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 (<i>as defined hereinafter</i>) are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:</p> <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> <p>(iii) The management of the respective Companies are of the view that this Scheme is in the interest of the customers, employees, creditors, shareholders and all other stakeholders of the respective Companies.</p>

25. Salient features of the Scheme

Clause 1.1 (vii) of the Part A of the Scheme defines the **Appointed Date** of the Scheme as “*means the opening of business hours on April 1, 2023, with effect from which the Scheme shall be effective, in the manner described in the Scheme*”

Clause 1.1 (xv) of the Part A of the Scheme defines Effective Date as means the date on which a certified true copy of the order of the NCLT sanctioning the Scheme or any particular parts of the Scheme, is filed by the Companies with the RoC.

Clause 13 provides that – “Upon the Scheme becoming effective on the Effective Date, Amalgamating Company No. 1 and Amalgamating Company No. 2 shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the respective Amalgamating Companies and/or the Amalgamated Company.”

It is hereby clarified that upon the dissolution of the Amalgamating Companies, in the event there are any further acts, deeds or instruments to be executed to make the Scheme effective, then the Amalgamated Company shall be able to execute such acts, deeds or instruments without any further act, deed or instrument required from either the Amalgamated Company and/or the Amalgamating Companies.”

YOU ARE REQUESTED TO READ THE ENTIRE TEXT OF THE SCHEME TO GET FULLY ACQUAINTED WITH THE PROVISIONS THEREOF. THE AFORESAID ARE ONLY SOME OF THE SALIENT EXTRACTS THEREOF.

26. **Details of the Directors and Key Managerial Personnel (KMP) and their respective equity and preference shareholding as on September 30, 2023 as follows:**

Equity Share Capital:

A. ESCORTS KUBOTA INDIA PRIVATE LIMITED (Amalgamating Company No. 1):

S. No.	Name of the Directors / KMP	Shares (%) held in					
1.	Mr. Dai Watanabe	0	0	0	0	0	0
2	Mr. Nikhil Nanda	0	0	0	0	0	0
3	Mr. Yoshimitsu Ishibashi	0	0	0	0	0	0
4.	Mr. Seiji Fukuoka	0	0	0	0	0	0
5.	Mr. Hardeep Singh	0	0	0	0	0	0
6.	Mr. Katsunori Asano	0	0	0	0	0	0
7.	Mr. Nandkumar Sitaram Rane	0	0	0	0	0	0
8.	Mr. Nobushige Ichikawa	0	0	0	0	0	0
9.	Mr. Akira Kato	0	0	0	0	0	0
10.	Mr. Bharat Madan	0	0	0	0	0	0

B. KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED (AMALGAMATING COMPANY NO. 2):

S. No.	Name of the Directors / KMP	Shares (%) held in					
1	Mr. Gurmeet Singh Grewal	0	0	0	0	0	0
2	Mr. Bharat Madan	0	0	0	0	0	0
3	Mr. Shintaro Seshimoto	0	0	0	0	0	0
4	Mr. Hisakazu Kitanobo	0	0	0	0	0	0
5.	Mr. Harish Lalchandani	0	0	0	0	0	0
6	Ms. Kumud Maheshwari	0	0	0	0	0	0

C. ESCORTS KUBOTA LIMITED:

Sr. No.	Name	% of shares in Equity shares	% of shares in Preference shares
1	Mr. Nikhil Nanda	1.09	-
2	Mr. Hardeep Singh	0.00	-
3	Ms. Nitasha Nanda	0.18	-
4	Mr. Sunil Kant Munjal	0.02	-
5	Ms. Tanya Dubash	-	-
6	Mr. Harish N. Salve	-	-
7	Mr. Dai Watanabe	-	-
8	Mr. Yuji Tomiyama	-	-
9	Mr. Seiji Fukuoka	-	-
10	Mr. Shiro Watanbe	-	-
11	Mr. Ravindra Chandra Bhargava	-	-
12	Mr. Kenichiro Toyofuku	-	-

Sr. No.	Name	% of shares in Equity shares	% of shares in Preference shares
13	Mr. Vimal Bhandari	-	-
14	Ms. Reema Rameshchandra Nanavati	-	-
15	Mr. Yasukazu Kamada	-	-
16	Mr. Manish Sharma	-	-
17	Mr. Bharat Madan	-	-
18	Dr. Rupinder Singh Sodhi	-	-
19	Mr. Satyendra Chauhan	-	-

Preference Share Capital:

None of the companies has issued preference share capital.

**27. Pre and Post Shareholding Pattern of the Amalgamated Company (as on September 30, 2023)
(on a fully diluted basis assuming conversion of warrants into equity shares):**

S. No.	Category	Pre-Scheme		Post-Scheme	
		Number of Equity Shares	Shareholding (%)	Number of Equity Shares	Shareholding (%)
(A)	Promoter & Promoter Group				
(1)	Indian				
(a)	Individuals / HUF	1442013	1.30	1442013	1.28
(b)	Body Corporate	14191382	12.84	14191382	12.68
	Sub Total (A)(1)	15633395	14.14	15633395	13.96
(2)	Foreign				
(a)	Individuals (Non-resident individuals / Foreign Individuals)	-	-	-	-
(b)	Body Corporate	59112970	53.50	60492462	54.07
	Sub Total (A)(2)	59112970	53.50	60492462	54.07
	Total shareholding of promoter and promoter group [(A) = (A)(1) + (A)(2)]	74746365	67.64	76125857	68.03
(B)	Public				
(1)	Institutions				
(a)	Mutual Funds	8071819	7.30	8071819	7.23
(b)	Alternate Investment Fund	59914	0.05	59914	0.05
(c)	Foreign portfolio investor	7374799	6.68	7374799	6.59
(d)	Financial Institutions / Banks	6360	0.01	6360	0.01
(e)	Insurance Companies	2187333	1.98	2187333	1.95
(f)	Any other	12333	0.01	12333	0.01
	Sub Total (B)(1)	17712558	16.03	17712558	15.84
(2)	Central government/state government/ President of India	85	0	85	0
	Sub Total (B)(2)	17712643	16.03	17712643	15.84
(3)	Non-Institutions				
(a)	(i) Individual shareholders holding nominal share capital up to ₹ 2.00 lac	9928441	8.99	9928442*	8.88
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 2.00 lac	2505310	2.27	2505310	2.24
(b)	NBFC registered with RBI	3474	0.00	3474	0.00
(c)	Overseas Depositories (holding DR) balancing figure	-	-	-	-

S. No.	Category	Pre-Scheme		Post-Scheme	
		Number of Equity Shares	Shareholding (%)	Number of Equity Shares	Shareholding (%)
(d)	Any other (Specify)				
	IEPF	692588	0.63	692588	0.61
	Non-resident Indians	630293	0.57	630293	0.56
	Corporate bodies (Resident)	1647942	1.49	1647942	1.48
	Trusts	3590	0.00	3590	0
	Foreign national	100	0.00	100	0
	Overseas Corporate bodies	-	-	-	0
	Clearing Members	162400	0.15	162400	0.14
	Hindu Undivided families	347685	0.31	347685	0.33
	Sub Total (B)(3)	15921823	14.41	15921824	14.24
	Total public shareholding [(B) = (B)(1) + (B)(2) + (B)(3)]	33634466	30.44	33634467	30.08
(C)	Non-Promoter Non-Public	2117430	1.92	2117430	1.89
	Total shareholding of promoter and promoter group [(A) + (B) + (C)]	110498261	100	111877754	100

* As per the Scheme of Amalgamation Fractional Shares to which the Shareholders are entitled to would be consolidated and such fractions would be round up to the next whole number. The Company would then issue such shares to a trustee/Director (nominated by company in that behalf) in dematerialized form, who shall hold such shares, with all additions or accretions thereto, for the benefit of the respective shareholders and do all such acts necessary in terms of the scheme.

28. Statement disclosing details of Arrangement as per sub-section 3 of Section 230 of the Companies Act, 2013 read with Rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016:

S. No.	Particulars	Details	
i.	Details of capital or debt restructuring if any	There is no debt restructuring envisaged in the Scheme.	
ii.	Benefits of the Arrangement as perceived by the Board of directors to the company, members, creditors and others (as applicable)	Refer Para 24(viii) of the Explanatory Statement.	
iii.	Amounts due to Unsecured Creditors as on May 31, 2023	Amalgamating Company No. 1	` 360,28,37,282
		Amalgamating Company No. 2	` 420,43,74,226
		Amalgamated Company	` 951,95,45,664
iv.	Amounts due to secured Creditor as on		
	a. as on May 31, 2023	Amalgamating Company No. 1	Zero
		Amalgamating Company No. 2	Zero
	b. as on June 15, 2023	Amalgamated Company	Zero
v.	If the scheme of Arrangement relates to more than one company, the fact and details of any relationship subsisting between such companies who are parties to such scheme of compromise or Arrangement, including holding, subsidiary or associate companies	Refer Para 24(ii) of the Explanatory Statement.	

S. No.	Particulars	Details
vi.	Disclosure about effect of the compromise or Arrangement on:	
a.	Key Managerial Personnel	The effect of the Scheme on the Key Managerial Personnel, Director, Promoter and Non-Promoter shareholders of the Amalgamating Company No. 1, Amalgamating Company No.2, and Amalgamated Company is given in the reports adopted by the Board of Directors of the respective companies, which is enclosed as Annexure to this Notice.
b.	Director	
c.	Promoters	
d.	Non-Promoters members	
e.	Creditors	Pursuant to the Scheme, all the liabilities and dues payable pertaining to Amalgamating Company No. 1 and Amalgamating Company No. 2 shall become the liabilities and dues payable of the Amalgamated Company. None of the companies have any depositors, debenture holders, deposit trustee and debenture trustees.
f.	Depositors	
g.	Debenture Holders	
h.	Deposit trustee and debenture trustee	
i.	Employees of the Company	There will be no impact on the employees and workmen of the Amalgamated Company. Pursuant to the Scheme, all the staff, workmen and other employees pertaining to the Amalgamating Company No. 1 and Amalgamating Company No. 2 immediately before the effectiveness of the Scheme shall become the staff, workmen and employees of the Amalgamated Company as per the details mentioned in the Scheme.
vii.	Disclosure about effect of compromise or Arrangement on material interest of Directors, Key Managerial Personnel, their Relatives and Debenture Trustee	
a.	Directors	None of the Directors, KMPs (as defined under the Companies Act 2013 and rules framed thereunder) of the Company and their respective relatives (as defined under the Act and rules framed thereunder) has any interest in the Scheme except to the extent of their shareholding and / or Directorship in the companies involved in the Scheme, if any.
b.	Key Managerial Personnel	
c.	Debenture Trustee	Not Applicable
viii.	Details of approvals, sanctions or no-objection(s), if any, from regulatory or any other governmental authorities required, received or pending for the proposed scheme of compromise or Arrangement	<p>a) The equity shares of Amalgamated Company are listed on the Stock Exchanges. Pursuant to Regulation 37 of the SEBI Listing Regulations read with the Master Circular bearing number SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated June 20, 2023, as amended from time to time, issued by SEBI ("SEBI Circular"), the Amalgamated Company had filed the Scheme with both the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), to seek their no objection to the Scheme. Amalgamated Company has received observation letters dated 30th May 2023 from BSE and observation letters dated 29th May 2023 from NSE, respectively, wherein the Stock Exchanges have granted their no objection to filing the Scheme with the Tribunal.</p> <p>b) As required by the SEBI Circular, Amalgamated Company has filed Complaint Reports dated October 20, 2022 with the BSE and NSE on November 24, 2022. The Complaint Reports filed by companies indicate that they have received 'NIL' complaints.</p> <p>c) As per the observation letters, we would like to mention that there are no investigation proceedings which have been instituted or are pending against the Escorts Kubota Limited, its Promoters and/ or Directors, other than what has been mentioned in Annexure 16</p> <p>d) As per the observation letters, details of proforma balance sheet and profit and loss account of Escorts Kubota Limited as on April 01, 2023 pursuant to the Scheme of Amalgamation is enclosed as Annexure 17</p> <p>e) The Scheme is subject to approval from jurisdictional NCLT. Further, notice under Section 230(5) of Companies Act, 2013 is being submitted with the Central Government through the regional director (Northern Region), Ministry of Corporate Affairs, Registrar of Companies, Official Liquidator and Income Tax Authorities in respect of all companies.</p>

S. No.	Particulars	Details
ix.	A statement to the effect that the persons to whom the notice is sent may vote in the Meeting either in person or by proxies, or where applicable, by voting through electronic means.	Unsecured Creditors to whom the Notice is sent may vote through remote e-voting / e-voting through VC/OAVM.

General:

29. The copy of draft scheme is being sent to the Registrar of Companies and such other authorities as per the statutory requirement.
30. Amalgamated Company, Amalgamating company No.1 and Amalgamating company No.2 are required to seek approvals/ representations / sanctions / no objections, if any from certain regulatory and governmental authorities for the Scheme such as the Registrar of Companies, Regional Director, Official Liquidator and Income-tax authorities.
31. The National Company Law Tribunal, Chandigarh Bench by its Order dated 16th October 2023 has directed for convening of the meeting(s) by Video-Conferencing or Other Audio Visual Means for Amalgamated Company (Shareholders and Creditors meeting) and Amalgamating Company No.1 (Creditors Meeting) and publication of notice of meeting in newspaper for Amalgamated Company and Amalgamating Company No.1.
32. The National Company Law Tribunal, Chandigarh Bench by its Order dated 16th October 2023 has dispensed with the requirement of convening the meeting(s) of the Equity Shareholders of Amalgamating company No. 1 and Amalgamating company No. 2
33. The National Company Law Tribunal, Chandigarh Bench by its Order dated 16th October 2023 has dispensed with the requirement of convening the meeting(s) of the Unsecured Creditors of Amalgamating company No. 2.
34. No investigation or proceedings are pending under applicable provisions of Companies Act, 2013 or erstwhile provisions of Companies Act, 1956 against any Company involved in the Scheme.
35. No winding up petition has been admitted against the Companies involved in the Scheme.
36. The following documents will be open for obtaining extracts from or for making or obtaining copies or inspection by the Unsecured Creditors of Amalgamated Company at 15/5, Mathura Road, Faridabad - 121003, Haryana, India between 01:00 PM to 05:00 PM on all working days, except Saturdays, Sundays and Public Holidays and the same is also disseminated on the website of the Company at <https://www.escortsgroup.com/investors/overview.html>:
 - a) Copy of the Order dated October 16, 2023 of the NCLT passed in Company Application No. CA (CAA) No. 35/Chd/Hry/2023 directing the convening of the meeting of the Unsecured Creditors of Amalgamated Company;
 - b) Copy of the Company Application No. CA(CAA) No. 35/Chd/Hry/2023 and other ancillary Applications/ Affidavits filed with the Hon'ble NCLT;
 - c) Copy of Composite Scheme of Amalgamation;
 - d) Audited financial statements (Both Standalone & Consolidated) of all the companies forming part of the Scheme for the financial year ended 2021, 2022 and 2023 can be accessed at the below link – <https://www.escortsgroup.com/investors/overview.html>
 - e) Memorandum and Articles of Association including certificate of incorporation of all the Companies involved in the Scheme;
 - f) Certificates issued by Statutory Auditors of all the Companies in relation to the accounting treatment prescribed in the Scheme is in conformity with the Accounting Standards prescribed under Section 133 of Companies Act, 2013;
 - g) The report of the Audit Committee of the Board of Directors is disseminated on the website of the Amalgamated Company
37. None of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Amalgamated Company and/ or their respective relatives has any interest in the scheme except to the extent of their Directorship and shareholding, if any, in the Company.
38. Further none of the Directors, KMPs (as defined under the Act and rules framed thereunder) of the Amalgamating Company No. 1 and Amalgamating Company No. 2 and/ or their respective relatives, has any interest in the scheme except to the extent of their Directorship and shareholding, if any, in the respective companies.

39. A copy of the Scheme and Explanatory Statement shall be furnished to the Unsecured Creditors, free of charge, within 1 (one) day on a requisition being so made for the same by the Unsecured Creditors.

Date: October 26, 2023
Place: Faridabad

By order of the Board of Directors
For Escorts Kubota Limited

Registered Office:
ESCORTS KUBOTA LIMITED
15/5, Mathura Road, Faridabad, Haryana – 121 003
CIN - L74899HR1944PLC039088

Sd/-
Satyendra Chauhan
Company Secretary

SCHEME OF AMALGAMATION
AMONGST
ESCORTS KUBOTA INDIA PRIVATE LIMITED
(AMALGAMATING COMPANY NO. 1)
AND
KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED
(AMALGAMATING COMPANY NO. 2)
WITH
ESCORTS KUBOTA LIMITED
(AMALGAMATED COMPANY)
AND
THEIR RESPECTIVE SHAREHOLDERS AND CREDITORS
(UNDER SECTIONS 230 TO 232 AND OTHER APPLICABLE SECTIONS OF THE
COMPANIES ACT, 2013)



INTRODUCTION

1. PREAMBLE

This Composite Scheme of Amalgamation ("**Scheme**") is presented pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Act (*as defined hereinafter*), and the rules and regulations issued thereunder, and Section 2(1B) and other applicable provisions of the IT Act (*as defined hereinafter*), in each case, as amended from time to time and as may be applicable, for:

- (i) the amalgamation of Escorts Kubota India Private Limited ("**Amalgamating Company No. 1**") and Kubota Agricultural Machinery India Private Limited ("**Amalgamating Company No. 2**") into and with Escorts Kubota Limited ("**Amalgamated Company**"); and
- (ii) various other matters consequential or otherwise integrally connected herewith.

2. BACKGROUND AND DESCRIPTION OF THE PARTIES TO THIS SCHEME

2.1. Background and Description of the Amalgamated Company

- (i) The Amalgamated Company, i.e., **Escorts Kubota Limited**, is a public limited company, incorporated on October 17, 1944, under the provisions of the Companies Act, 1913, under the name '*Escorts (Agents) Limited*'. Pursuant to the effectiveness of Section 24 of the Companies Act, 1956, the word 'Private' was added before the word 'Limited' in the name of the Amalgamated Company and the name of the Amalgamated Company was changed to '*Escorts (Agents) Private Limited*'. Further, consequent to the fresh certificate of incorporation dated January 18, 1960, issued upon change of name by the Registrar of Companies, Delhi and Haryana, the name of the Amalgamated Company was changed from '*Escorts (Agents) Private Limited*' to '*Escorts Limited*'. Furthermore, consequent to the fresh certificate of incorporation dated June 9, 2022, issued by the Registrar of Companies, NCT of Delhi and Haryana, the name of the Amalgamated Company was changed from '*Escorts Limited*' to '*Escorts Kubota Limited*'.
- (ii) The registered office of the Amalgamated Company was changed from the state of Delhi to the state of Haryana, pursuant to the order of the Company Law Board, New Delhi, dated April 4, 2009, and upon issuance of a certificate of registration of the Company Law Board order for change of state dated May 15, 2009. The registered office of the Amalgamated Company is currently situated at 15/5, Mathura Road, Faridabad - 121003, Haryana, India, within the jurisdiction of this Tribunal.
- (iii) The corporate identity number of the Amalgamated Company is L74899HR1944PLC039088, and PAN (*as defined hereinafter*) is AAACE0074B.
- (iv) The shares of the Amalgamated Company are currently listed on 2 (two) stock exchanges - the BSE (*as defined hereinafter*) and NSE (*as defined hereinafter*). The shares of the Amalgamated Company were listed on the DSE (*as defined hereinafter*). However, DSE has been de-recognized and allowed to exit as a stock exchange by SEBI (*as defined hereinafter*) vide order no. WTM/SR/SEBI/MRD-DSA/04/01/2017 dated January 23, 2017. For the avoidance of doubt, the securities of the Amalgamated Company are currently not listed on DSE owing to DSE having been de-recognized by SEBI.
- (v) The Amalgamated Company is, *inter alia*, engaged in the business of manufacturing and sale of various agricultural tractors, construction equipment, railway products, implements and spares thereof.



2.2. Background and Description of the Amalgamating Company No. 1

- (i) Amalgamating Company No. 1, i.e., **Escorts Kubota India Private Limited**, is a private limited company, incorporated under the Companies Act, 2013 on February 23, 2019, having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India.
- (ii) Amalgamating Company No. 1 is engaged in the business of production and sale of tractors for the Indian and global markets. The Amalgamating Company No. 1 is a joint venture of the Amalgamated Company wherein Amalgamated Company holds 40% (Forty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 1 and 60% (Sixty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 1 is held by KBT (*as defined hereinafter*).
- (iii) The corporate identity number of the Amalgamating Company No. 1 is U34300HR2019FTC078790, and the PAN of Amalgamating Company No. 1 is AAFCE3923J.

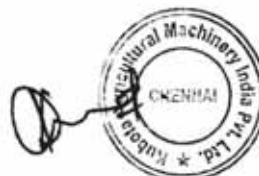
2.3. Background and Description of the Amalgamating Company No. 2

- (i) Amalgamating Company No. 2, i.e., **Kubota Agricultural Machinery India Private Limited**, is a private limited company, incorporated under the provisions of the Companies Act, 1956 (as amended), on December 5, 2008, and having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India.
- (ii) The registered office of Amalgamating Company No. 2 was changed from the state of Tamil Nadu to the state of Haryana, pursuant to the order of the Registrar of Companies, New Delhi dated March 2, 2021. Upon the issuance of a certificate of registration of Regional Director order for Change of State dated February 1, 2021, the registered office of the Amalgamating Company No. 2 changed from TVH Belicia Towers, 8th Floor, Tower-I, Block No. 94, MRC Nagar, Chennai-600028, Tamil Nadu to 18/4, Mathura Road, Faridabad - 121007, Haryana, India.
- (iii) Amalgamating Company No. 2 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. The Amalgamating Company No. 2 is also a joint venture of the Amalgamated Company wherein Amalgamated Company holds 40% (Forty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 2, and 60% (Sixty Percent) of the total paid-up equity share capital of the Amalgamating Company No. 2 is held by KBT.
- (iv) The corporate identity number of the Amalgamating Company No. 2 is U29210HR2008FTC093295, and the PAN of Amalgamating Company No. 2 is AADCK5472E.

3. NEED AND RATIONALE FOR THIS SCHEME

3.1 Rationale for the Scheme

- (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.

- (ii) The management of the respective Companies (*as defined hereinafter*) are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:
- (a) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.
 - (b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.
 - (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.
 - (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.
 - (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.
- (iii) The management of the respective Companies are of the view that this Scheme is in the interest of the customers, employees, creditors, shareholders and all other stakeholders of the respective Companies.

4. **OVERVIEW OF THIS SCHEME**

4.1 This Scheme is divided into the following parts:

- | | | |
|---------------|---|---|
| PART A | - | Definitions, Compliance with Tax Laws, Capital Structure and Date of Taking Effect |
| PART B | - | Amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into and with Amalgamated Company, Conduct of Affairs until the Effective Date, Treatment of Taxes, Conduct of Affairs After the Effective Date, Saving of Concluded Transactions, Change in Authorized Share Capital of the Amalgamated Company, Discharge of Consideration, Issuance Mechanics, Dissolution of Amalgamating Company No. 1 and Amalgamating Company No. 2 and Accounting Treatment |
| PART C | - | General Terms and Conditions applicable to the Scheme |



PART A

DEFINITIONS, COMPLIANCE WITH TAX LAWS AND CAPITAL STRUCTURE

1. DEFINITIONS

1.1. In this Scheme, unless repugnant to the subject or meaning or context thereof, the following expressions shall have the meaning attributed to them as below:

- (i) **“Act”** means, as the context may admit, the Companies Act, 2013 (as may be notified from time to time) and the rules made thereunder, and shall include any statutory modifications, re-enactments or amendments thereof for the time being in force.
- (ii) **“Amalgamated Company”** has the meaning ascribed to such term in Paragraph 1(i) of the Preamble.
- (iii) **“Amalgamating Companies”** means collectively, Amalgamating Company No. 1 and Amalgamating Company No. 2, and shall, subject to the relevant provisions of the Scheme, include the whole of the business and undertakings of such Amalgamating Companies, including for each such Amalgamating Company:
 - (a) all of its movable assets, whether present or future, whether tangible or intangible, and all rights, title, interests, covenants, undertakings and continuing rights in relation thereto;
 - (b) all of its immovable properties and all its rights, title, interests, covenants, undertakings and continuing rights in relation thereto, including all its land (together with all the buildings and structures standing thereon), whether freehold or leasehold;
 - (c) all of its present and future liabilities, including contingent liabilities, charges and debts appertaining thereto;
 - (d) all of its investments, including shares and other securities, loans and advances, including interest and dividend accrued thereon;
 - (e) all of its permits, rights, entitlements and licences (including the industrial or other licences) granted by any Governmental Authority, environmental clearances, permissions, approvals, consents, exemptions, subsidies, registrations, no-objection certificates, quotas, privileges, powers, offices, facilities whether granted/available/renewed/applied for;
 - (f) all of its intellectual property rights, websites, emails, trade names, trademarks, service marks, copyrights, domain names, brand names, logos and applications thereof;
 - (g) all of its indirect and direct tax credits, including but not limited to service tax credit, CENVAT credit, GST credit, VAT credit, income-tax refunds, carry forward losses, unabsorbed depreciation, TDS, TCS, and MAT credit entitlement, etc.;
 - (h) all of its privileges and benefits under all contracts, agreements, memoranda of understanding and all other rights, powers and facilities of every kind and description whatsoever;
 - (i) all of its debts, borrowings, obligations and liabilities, whether present, future or contingent, and whether secured or unsecured;



- (j) all of its staff and employees, including those employed at its offices, factories and branches, and all other personnel employed by it;
- (k) all of the advance monies and earnest monies as may be lying with it and any and all of its security deposits, bank and contractual guarantees and other entitlements; and
- (l) all of its other properties, assets, liabilities, rights, obligations and employees, etc., of any nature whatsoever not covered under (a) to (k) above.
- (iv) **"Amalgamating Company No. 1"** has the meaning ascribed to such term in Paragraph 1(i) of the Preamble.
- (v) **"Amalgamating Company No. 2"** has the meaning ascribed to such term in Paragraph 1(i) of the Preamble.
- (vi) **"Applicable Law(s)"** means all statutes, notifications, bye-laws, rules, regulations, guidelines, rules or common law, policies, codes, directives, ordinances, schemes or orders enacted or issued or sanctioned by any Governmental Authority, including any modification or re-enactment thereof for the time being in force.
- (vii) **"Appointed Date"** means the opening of business hours on April 1, 2023, with effect from which the Scheme shall be effective, in the manner described in the Scheme.
- (viii) **"Board of Directors"** means the respective boards of directors of the Companies and shall, unless repugnant to the context or otherwise, include any duly authorized committee of directors or any person duly authorized by the Board of Directors or such committee of directors.
- (ix) **"BSE"** means BSE Limited and includes any successor thereof.
- (x) **"Capital Reduction Scheme"** has the meaning ascribed to such term in Clause 3.1(iii).
- (xi) **"CENVAT"** means central value-added tax.
- (xii) **"Companies"** means collectively, Amalgamated Company, Amalgamating Company No. 1, and Amalgamating Company No. 2.
- (xiii) **"DSE"** means Delhi Stock Exchange Limited.
- (xiv) **"DGFT"** means Directorate General of Foreign Trade.
- (xv) **"Effective Date"** means the date on which a certified true copy of the order of the NCLT sanctioning the Scheme or any particular parts of the Scheme, is filed by the Companies with the RoC.
- (xvi) **"Government"** or **"Governmental Authority"** means any government authority, statutory authority, government department, agency, commission, board, tribunal or court or other law, rule or regulation making entity having or purporting to have jurisdiction on behalf of the Republic of India or any state or other subdivision thereof or any municipality, district or other subdivision thereof.
- (xvii) **"GST"** means goods and services tax.
- (xviii) **"IT Act"** means the Indian Income-tax Act, 1961 and the rules, regulations, circulars, notifications and orders issued thereunder, including any statutory modifications, re-



enactments or amendments thereof for the time being in force.

- (xix) **"KBT"** means Kubota Corporation.
- (xx) **"MAT"** means minimum alternate tax.
- (xxi) **"NSE"** means National Stock Exchange of India Limited and includes any successor thereof.
- (xxii) **"New Equity Shares"** means the fully paid-up equity shares of the Amalgamated Company having face value of Rs. 10/- each to be issued and allotted by the Amalgamated Company to the respective shareholders of the Amalgamating Companies in accordance with Clause 11 of PART B of this Scheme.
- (xxiii) **"PAN"** means permanent account number.
- (xxiv) **"RBI"** means the Reserve Bank of India or any successor thereof.
- (xxv) **"Registrar of Companies"** or **"RoC"** means the Registrar of Companies, National Capital Territory of Haryana and/or such other Registrar of Companies having jurisdiction over any of the Companies.
- (xxvi) **"Rs."** or **"INR"** means Indian Rupees being the lawful currency of the Republic of India.
- (xxvii) **"Scheme of Amalgamation"** or **"Scheme"** means this composite scheme of amalgamation in its present form, or with or without any modification(s), as may be approved or imposed or directed by the NCLT, SEBI and any other Governmental Authority.
- (xxviii) **"SEBI"** means the Securities and Exchange Board of India or any successor thereof.
- (xxix) **"SEBI Circular"** means the SEBI circular bearing reference no. CFD/DIL3/CIR/201721 dated March 10, 2017, as amended and supplemented by SEBI, from time to time, read with the SEBI master circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time, issued by the SEBI.
- (xxx) **"Share Exchange Ratio 1"** has the meaning ascribed to such term in Clause 11.1(i).
- (xxxi) **"Share Exchange Ratio 2"** has the meaning ascribed to such term in Clause 11.1(ii).
- (xxxii) **"Share Exchange Ratios"** means, collectively, Share Exchange Ratio 1 and Share Exchange Ratio 2.
- (xxxiii) **"Stock Exchanges"** means collectively, the NSE and BSE.
- (xxxiv) **"TCS"** means Tax Collected at Source.
- (xxxv) **"TDS"** means Tax Deducted at Source.
- (xxxvi) **"Tribunal"** or **"NCLT"** means the Chandigarh Bench of the Hon'ble National Company Law Tribunal, or such other forum or authority as may be vested with any of the powers of the NCLT under the Act and/or as may be having jurisdiction for sanctioning this Scheme.
- (xxxvii) **"VAT"** means value added tax.



- 1.2. The expressions which are used but are not defined in this Scheme shall, unless repugnant or contrary to the context or meaning hereof, have the same meaning ascribed to them under the Act, the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 (including the rules, regulations made thereunder), the IT Act, the Depositories Act, 1996, and other Applicable Laws.
- 1.3. In this Scheme, unless the context otherwise requires:
- (i) references to "persons" shall include individuals, bodies corporate (wherever incorporated), unincorporated associations and partnerships;
 - (ii) the headings, sub-headings, titles, sub-titles to clauses, sub-clauses and paragraphs are inserted for ease of reference only and shall not form part of the operative provisions of this Scheme and shall not affect the construction or interpretation of this Scheme;
 - (iii) references to one gender includes all genders;
 - (iv) words in the singular shall include the plural and *vice versa*;
 - (v) any references in this Scheme to "upon this Scheme becoming effective" or "upon coming into effect of this Scheme" or "upon the Scheme coming into effect" or "effectiveness of the Scheme" or likewise shall be construed to be a reference to the Effective Date;
 - (vi) words "include" and "including" are to be construed without limitation;
 - (vii) terms "hereof", "herein", "hereby", "hereto" and derivative or similar words shall refer to this entire Scheme or specified Clauses of this Scheme, as the case may be;
 - (viii) a reference to "writing" or "written" includes printing, typing, lithography and other means of reproducing words in a visible form, including e-mail;
 - (ix) a reference to any agreement, contract, document or arrangement or to any provision thereof shall include references to any such agreement, contract, document or arrangement as it may, after the date hereof, from time to time, be amended, supplemented or novated;
 - (x) reference to the Recital or Clause shall be a reference to the Recital or Clause of this Scheme; and
 - (xi) references to any provision of law or legislation or regulation shall include: (a) such provision as from time to time amended, modified, re-enacted or consolidated (whether before or after the date of this Scheme) to the extent such amendment, modification, re-enactment or consolidation applies or is capable of applying to the transaction entered into under this Scheme and (to the extent liability thereunder may exist or can arise) shall include any past statutory provision (as amended, modified, re-enacted or consolidated from time to time) which the provision referred to has directly or indirectly replaced, (b) all subordinate legislations (including circulars, notifications, clarifications or supplement(s) to, or replacement or amendment of, that law or legislation or regulation) made from time to time under that provision (whether or not amended, modified, re-enacted or consolidated from time to time) and any retrospective amendment.

2. **COMPLIANCE WITH TAX LAWS**

- 2.1. The amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into the Amalgamated Company in accordance with this Scheme will be in compliance with the provisions of Section 2(1B) of the IT Act, such that:



- (i) all the properties of the Amalgamating Companies, immediately before the amalgamation, shall become the property of the Amalgamated Company, by virtue of the amalgamation;
- (ii) all the liabilities of the Amalgamating Companies, immediately before the amalgamation, shall become the liabilities of the Amalgamated Company, by virtue of the amalgamation; and
- (iii) shareholders holding not less than three-fourths in value of the shares in the Amalgamating Companies (other than shares already held therein immediately before the amalgamation by, or by a nominee for, the Amalgamated Company or its subsidiary) shall become shareholders of the Amalgamated Company by virtue of the amalgamation.

2.2. This Scheme has been drawn up to comply with the conditions relating to 'amalgamation' as specified under the tax laws, including Section 2(1B) and other relevant sections of the IT Act. If any terms or provisions of this Scheme are found to be or interpreted to be inconsistent with any of the said provisions at a later date, whether as a result of a new enactment or any amendment to any existing enactment or the coming into force of any provision of the IT Act or any other law or any judicial or executive interpretation or for any other reason whatsoever, the aforesaid provisions of the IT Act shall prevail, and this Scheme (including any parts hereof) shall then stand modified to comply with such laws. The power to make such amendments shall vest with the Board of Directors of the Companies, which power shall be exercised reasonably in the best interest of the Companies and their stakeholders, provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the secured and unsecured creditors and shareholders without seeking their approval. Further, such modification/withdrawal will not affect other parts of the Scheme which have not been so modified or withdrawn.

3. CAPITAL STRUCTURE

3.1. Amalgamated Company

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamated Company as on March 31, 2022 is as under:

Authorised Share Capital	Amount in Rs.
40,10,00,000 equity shares of Rs. 10/- each	4,01,00,00,000
88,80,00,000 unclassified shares of Rs. 10/- each	8,88,00,00,000
Total	12,89,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
13,19,40,604 equity shares of Rs. 10/- each	1,31,94,06,040
Total	1,31,94,06,040

- (ii) Subsequent to March 31, 2022, and until the date of the Scheme being approved by the Board of Directors of the Amalgamated Company, there has been no change in the authorised, issued, subscribed and paid-up share capital of the Amalgamated Company, if any, issued by the Amalgamated Company.
- (iii) Further, the Board of Directors of the Amalgamated Company, in its meeting held on February 18, 2022, had approved the scheme for cancellation of 2,14,42,343 (Two Crores Fourteen Lakhs Forty-Two Thousand and Three Hundred and Forty-Three) shares of the Amalgamated Company held by 'Escorts Benefit and Welfare Trust' (hereinafter referred to as "**Capital Reduction Scheme**"). The Amalgamated Company has already received no objection certificate/observation letter in relation to such capital reduction from the stock exchanges. The Amalgamated Company has filed the application before the Tribunal on August 14, 2022



in relation to the Capital Reduction Scheme post receipt of approval from shareholder on August 5, 2022. Upon effectiveness of the abovementioned Capital Reduction Scheme and the consequent cancellation of the equity share capital as provided above, the authorised, issued, subscribed and paid-up share capital of the Amalgamated Company would be as under:

Authorised Share Capital	Amount in Rs.
40,10,00,000 equity shares of Rs. 10/- each	4,01,00,00,000
88,80,00,000 unclassified shares of Rs. 10/- each	8,88,00,00,000
Total	12,89,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
11,04,98,261 equity shares of Rs. 10/- each	1,10,49,82,610
Total	1,10,49,82,610

3.2. Amalgamating Company No. 1

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamating Company No. 1, as on March 31, 2022 is as under:

Authorised Share Capital	Amount in Rs.
3,00,00,000 equity shares of INR 100/- each	3,00,00,00,000
Total	3,00,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
3,00,00,000 equity shares of INR 100/- each	3,00,00,00,000
Total	3,00,00,00,000

- (ii) Subsequent to March 31, 2022 and until the date of the Scheme being approved by the Board of Directors of the Amalgamating Company No. 1, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Amalgamating Company No. 1.

3.3. Amalgamating Company No. 2

- (i) The authorised, issued, subscribed and paid-up share capital of the Amalgamating Company No. 2, as on March 31, 2022 is as under:

Authorised Share Capital	Amount in Rs.
5,00,00,000 equity shares of INR 10/- each	50,00,00,000
Total	50,00,00,000
Issued, Subscribed and Paid-up Share Capital	Amount in Rs.
5,00,00,000 equity shares of INR 10/- each	50,00,00,000
Total	50,00,00,000

- (ii) Subsequent to March 31, 2022 and until the date of the Scheme being approved by the Board of Directors of the Amalgamating Company No. 2, there has been no change in the authorised, issued, subscribed and paid-up equity share capital of the Amalgamating Company No. 2.

- 3.4. It is expressly clarified that until this Scheme becomes effective, the Companies are free to alter their authorised, issued, subscribed or paid-up share capital by way of buy-back or stock split or further issue or consolidation or capital reduction or any other manner, as may be required for their respective business requirements, subject to receipt of the necessary approvals from their respective Board of Directors, shareholders, and/or Tribunal, if required.



4. **DATE OF TAKING EFFECT**

The Scheme set out herein in its present form or with any modification(s) approved or imposed or directed by the Tribunal or any other competent authority, shall be effective from the Appointed Date but shall be operative from the Effective Date.

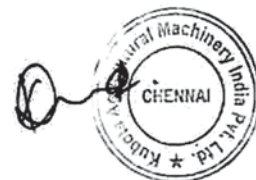
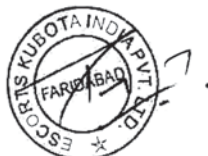


PART B

**AMALGAMATION OF AMALGAMATING COMPANY NO. 1 AND AMALGAMATING
COMPANY NO. 2 INTO AND WITH THE AMALGAMATED COMPANY**

**5. AMALGAMATION OF AMALGAMATING COMPANY NO. 1 AND AMALGAMATING
COMPANY NO. 2 INTO AND WITH THE AMALGAMATED COMPANY**

- 5.1. Subject to the provisions of PART B and PART C of this Scheme in relation to the modalities of amalgamation, upon this Scheme becoming effective on the Effective Date, and with effect from the Appointed Date, the Amalgamating Companies along with all their assets, liabilities, contracts, employees, licenses, records, approvals, rights and obligations and their entire business and undertakings, including all their properties, rights, benefits and interests therein, shall by virtue of this PART B of the Scheme stand amalgamated with, transferred to and vested in, or shall be deemed to have been transferred to or vested in, the Amalgamated Company, as a going concern, and shall become the assets, liabilities, contracts, employees, licenses, records, approvals, rights, obligations, business and undertakings of the Amalgamated Company, subject to the existing encumbrances thereon in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders), without any further act, instrument or deed being required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party, in accordance with Sections 230 to 232 of the Act read with Section 2(1B) of the IT Act and all other applicable provisions of law, if any, in accordance with the provisions contained herein.
- 5.2. Without prejudice to the generality of the above, in particular, the Amalgamating Companies shall stand amalgamated with the Amalgamated Company in the manner described in the sub-paragraphs below, subject to the existing encumbrances in favour of banks and financial institutions, if any (unless otherwise agreed to by such encumbrance holders).
- (i) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all the assets (including investments) of the Amalgamating Companies that are movable in nature, or incorporeal or intangible in nature, or are otherwise capable of transfer by physical or constructive delivery and/or by endorsement and delivery or by transfer or by delivery instructions in relation to dematerialized shares or by vesting and recordal of whatsoever nature, including plant, machinery and equipment, pursuant to this Scheme shall stand transferred to and vested in and/or be deemed to be transferred to and vested in the Amalgamated Company, wherever located, and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The transfer and vesting pursuant to this sub-clause 5.2 (i) shall be deemed to have occurred by physical or constructive delivery or by endorsement and delivery or by delivery instructions in relation to dematerialized shares or by vesting and recordal, pursuant to this Scheme, as appropriate to the property being transferred and vested and the title to such property shall be deemed to have been transferred and vested accordingly;
- (ii) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, any and all other movable properties of the Amalgamating Companies, including cash and cash equivalents, sundry debts and receivables, earnest monies, bills, credits, outstanding loans and advances, if any, recoverable in cash or in kind or for value to be received, actionable claims, bank balances and deposits, if any, with any person or body including without limitation any government, semi-government, local and other authorities and bodies, customers and other persons, shall, without any further act, instrument or deed required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party, become the property of the Amalgamated Company, and the same shall also be deemed to have been transferred by way



of delivery of possession of the respective documents in this regard;

- (iii) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all immovable properties of the Amalgamating Companies, including without limitation, all land together with all buildings and structures standing thereon, and all rights and interests therein, whether freehold or leasehold or otherwise and all documents of title, rights and easements in relation thereto, shall stand transferred and be vested in and/or be deemed to have been transferred and vested in the Amalgamated Company and shall become the property and an integral part of the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to exercise all rights and privileges attached to the aforesaid immovable properties and shall be liable to pay all rent, charges and taxes and fulfil all obligations in relation to or applicable to such immovable properties. The appropriate authorities shall grant all clearances/permissions, if any, required for enabling the Amalgamated Company to absolutely own and enjoy the rights/privileges attached to the immovable properties in accordance with Applicable Law. The Amalgamated Company shall be entitled to seek mutation/substitution of title in its name in such immovable properties, for the purposes of information and record, and such mutation/substitution of the title to and interest in such immovable properties shall be made and duly recorded in the name of the Amalgamated Company, by the appropriate authorities pursuant to the sanction of the Scheme by the NCLT and the Scheme becoming effective on the Effective Date in accordance with the terms hereof. However, it is hereby clarified that the absence of any such mutation/substitution shall not adversely affect the rights, title or interest of the Amalgamated Company in such immovable properties, which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date.
- (iv) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all debts, liabilities, contingent liabilities, duties and obligations, whether present or future, secured or unsecured of every kind, nature and description whatsoever and howsoever arising, whether provided for or not in the books of accounts of the respective Amalgamating Companies or disclosed in the balance sheets of the respective Amalgamating Companies, shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. The Amalgamated Company undertakes to meet, discharge and satisfy the same in terms of their respective terms and conditions, if any. All loans raised and used and all debts, duties, undertakings, liabilities and obligations incurred or undertaken by the Amalgamating Companies after the Appointed Date and prior to the Effective Date, shall also be deemed to have been raised, used, incurred or undertaken for and on behalf of the Amalgamated Company and, to the extent they are outstanding on the Effective Date, shall, upon the coming into effect of this Scheme, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party, shall stand transferred to and vested in or be deemed to have been transferred to and vested in the Amalgamated Company, and shall become and be deemed to be the debts, liabilities, contingent liabilities, duties and obligations of the Amalgamated Company. It is hereby clarified that it shall not be necessary to obtain the consent of any third party or other person, who is a party to any contract or arrangement by virtue of which such debts, liabilities, duties and obligations have arisen in order to give effect to the provisions of this sub-clause (iv). However, the Amalgamated Company shall, if required, file appropriate forms with the RoC accompanied by the sanction order of the NCLT or a certified copy thereof and execute necessary deeds or documents in relation to creation/satisfaction/modification of charges to



the satisfaction of the creditors, pursuant to this Scheme becoming effective in accordance with the terms hereof. The Amalgamated Company shall be entitled to take the benefit of all duties and charges already paid by the Amalgamating Companies for the creation/modification of any such security interest. Where any of the loans, liabilities and obligations have been discharged by the Amalgamating Companies after the Appointed Date but before the Effective Date, such discharge shall be deemed to have been done by the Amalgamating Companies for and on behalf of the Amalgamated Company.

- (v) Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due from, or any guarantees or similar obligations undertaken on behalf of the Amalgamating Companies by the Amalgamated Company or *vice versa*, if any, and all contracts between the Amalgamating Companies and the Amalgamated Company shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamated Company on account of such cancellation or termination.
- (vi) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all incorporeal or intangible property of or in relation to the Amalgamating Companies shall stand transferred to and vested in the Amalgamated Company, and shall become the property and an integral part of the Amalgamated Company without any further act, instrument or deed required by either the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (vii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to operate all bank accounts, realise all monies and complete and enforce all pending contracts and transactions in the name of the Amalgamating Companies to the extent necessary until the transfer of the rights and obligations of the Amalgamating Companies to the Amalgamated Company under the Scheme is formally accepted and completed by the parties concerned. For avoidance of doubt, it is hereby clarified that all cheques and other negotiable instruments, payment orders received and presented for encashment which are in the name of the Amalgamating Companies after the Effective Date, shall be accepted by the bankers of the Amalgamated Company and credited to the accounts of the Amalgamated Company, if presented by the Amalgamated Company. Similarly, the banker of the Amalgamated Company shall honour all cheques issued by the Amalgamating Companies for payment after the Effective Date. All bank accounts operated or entitled to be operated by the Amalgamating Companies shall be deemed to have transferred and shall stand transferred to the Amalgamated Company and names of the Amalgamating Companies shall be substituted by the name of the Amalgamated Company in the bank's records.
- (viii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all letters of intent, memoranda of understanding, memoranda of agreements, requests for proposal, tenders, bids, letters of award, expressions of interest, experience and/or performance statements, contracts, agreements, arrangements, undertakings, guarantees and indemnities, whether written or otherwise, deeds, bonds, schemes, and other instruments of every nature and description including without limitation, those relating to tenancies, privileges, powers and facilities of every kind and description, to which the Amalgamating Companies are party or to the benefit of which the Amalgamating Companies may be eligible or entitled or under which the Amalgamating Companies are obligor and which are subsisting or having effect immediately prior to the Scheme coming into effect on the Effective Date, shall be and shall remain in full force and effect against or in favour of the Amalgamated Company and may be enforced by or against it as fully and effectually as if, instead of the



Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or obligee or obligor thereto, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. If the Amalgamating Companies enter into and/or issues and/or executes deeds, writings or confirmations or enters into any tripartite arrangements, confirmations or novations, the Amalgamated Company will, if necessary, also be a party to such documents in order to give formal effect to the provisions of this Scheme, if so required. In relation to the same, any procedural requirements required to be fulfilled solely by the Amalgamating Company(ies) (and not by any of its successors), shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney holder of the Amalgamating Company(ies), as the case may be.

- (ix) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all statutory or regulatory licenses and permits, including without limitation, all such licenses and permits as set out in grants, allotments, recommendations, no-objection certificates, permissions, registrations, approvals, certificates, consents, quotas, exemptions, clearances, tenancies, privileges, powers, offices, facilities, entitlements or rights (including licenses issued by the DGFT under the Export Promotion Capital Goods Scheme, Advance Authorization Scheme, Focused Products Scheme, Focused Marketing Scheme, Duty Drawback Scheme and other schemes or approvals of a like nature issued by the DGFT) granted/available / renewed / applied for, to or by the Amalgamating Companies shall stand transferred to and vested in the Amalgamated Company, without any further act, instrument or deed being required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date, the Amalgamated Company shall be entitled to all the benefits thereof, and shall be liable for all the obligations thereunder. In relation to the same, any procedural requirements required to be fulfilled solely by Amalgamating Companies (and not by any of their successors), shall be fulfilled by the Amalgamated Company as if it is the duly constituted attorney of the Amalgamating Companies. It is hereby clarified that if the consent or approval (by whatever name called) of any third party or authority is required to give effect to the provisions of this sub-clause (ix), the said third party or authority shall duly provide such consent or approval and shall make the necessary substitution / endorsement in the name of the Amalgamated Company pursuant to the sanction of this Scheme by the NCLT, and upon this Scheme becoming effective in accordance with the terms hereof. For this purpose, the Amalgamated Company may file appropriate applications/documents with relevant authorities concerned for information and record purposes. However, it is hereby clarified that the absence of any such substitution / endorsement shall not adversely affect the rights, benefits or interest of the Amalgamated Company which shall be deemed to have been transferred to the Amalgamated Company automatically upon the Scheme becoming effective on the Effective Date.
- (x) Upon the Scheme coming into effect on the Effective Date, all staff and employees (including, workmen, if any) of the Amalgamating Companies, who are on their payrolls and all other personnel employed by the Amalgamating Companies, shall become, and be deemed to have become, employed by the Amalgamated Company with effect from the Effective Date, on such terms and conditions as are no less favourable than those on which they were engaged with the Amalgamating Companies immediately prior to the Effective Date, without any interruption of service as a result of this amalgamation and transfer. With regard to provident fund, gratuity fund, superannuation fund and any contributions required to be made in relation to employees under any statute or regulation, leave encashment and any other special scheme or benefits created or existing for the benefit of the personnel employed by the Amalgamating Companies immediately prior to the Scheme coming into effect on the Effective Date and transferred to the Amalgamated Company, the Amalgamated Company shall stand substituted for the Amalgamating Companies for all intents and purposes whatsoever, upon this Scheme becoming effective on the Effective Date, including with regard to the obligation to make



contributions to the said funds in accordance with the provisions of such schemes or funds in the respective trust deeds or other documents and / or in accordance with the provisions of Applicable Laws or otherwise. All existing contributions made to such schemes and funds and all benefits accrued thereto shall also stand transferred in the name of the Amalgamated Company and all such benefits and schemes shall be continued by the Amalgamated Company for the benefit of such personnel employed by the Amalgamating Companies and transferred to the Amalgamated Company, on the same terms and conditions. Further, it is the aim and intent of the Scheme that all the rights, duties, powers and obligations of the Amalgamating Companies in relation to such schemes or funds shall become those of the Amalgamated Company. It is clarified that the services of all personnel employed by the Amalgamating Companies who are entitled to the benefits under such schemes and funds, will be treated as having been continuous and uninterrupted for the purpose of the aforesaid schemes or funds. Without prejudice to the aforesaid, the Board of Directors of the Amalgamated Company, if it deems fit and subject to Applicable Laws, shall be entitled to: (a) retain separate trusts or funds within the Amalgamated Company for the erstwhile fund(s) of the respective Amalgamating Companies; or (b) merge the pre-existing funds of the respective Amalgamating Companies with other similar funds of the Amalgamated Company.

- (xi) Upon the Scheme coming into effect on the Effective Date, the Amalgamated Company undertakes to continue to abide by any agreement(s)/settlement(s) entered into with any labour unions/employees by the Amalgamating Companies. The Amalgamated Company agrees that for the purpose of payment of any future retrenchment compensation, gratuity and other terminal benefits, the past services of such employees, if any, with the Amalgamating Companies, as the case may be, shall also be taken into account, and agrees and undertakes to pay the same as and when payable. Further, upon the Scheme coming into effect on the Effective Date, any prosecution or disciplinary action initiated, pending or contemplated against and any penalty imposed in this regard on any employee by the Amalgamating Companies shall be continued or shall continue to operate against the relevant employee and shall be enforced effectively by the Amalgamated Company.
- (xii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all rights, entitlements, licenses, applications, registrations and renewals relating to trademarks, trade names, service marks, copyrights, domain names, brand name, logos, patents and other intellectual property rights of every kind and description, including without limitations, whether registered, unregistered or pending registration, and the goodwill arising therefrom, if any, and software and all website content (including text, graphics, images, audio, video and data), trade secrets, to which the Amalgamating Companies are party or to the benefit of which the Amalgamating Companies may be eligible or entitled, shall stand transferred to and vested in the Amalgamated Company, and shall become the rights, entitlement or property of the Amalgamated Company and shall be enforceable by or against the Amalgamated Company, as fully and effectually as if, instead of the Amalgamating Companies, the Amalgamated Company had been a party or beneficiary or obligee thereto or the holder or owner thereof, without any further act, instrument or deed required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party.
- (xiii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of all insurance policies (if any) which have been issued in respect of Amalgamating Companies and/or any of its assets or employees and the name of the Amalgamated Company shall stand substituted as the 'insured' in all such policies as if the Amalgamated Company was originally a party thereto, without any further act, instrument or deed required from the Amalgamating Companies and/or the Amalgamated Company and without any approval or acknowledgement of any third party. Further, the Amalgamated Company shall be entitled to the benefit of all claims filed, prosecuted, proposed to be filed, pending and/or adjudicated in relation to all insurance



policies issued in respect of Amalgamating Companies and / or any of their assets or employees.

- (xiv) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all taxes and duties of whatsoever description (including but not limited to all carry forward tax losses comprising of unabsorbed depreciation, advance tax payments, TDS, TCS, MAT, securities transaction tax, withholding tax, banking cash transaction tax, taxes withheld / paid in a foreign country, customs duty, entry tax, VAT, GST, sales tax, service tax etc.) including any interest, penalty, surcharge, and cess, if any, payable by or refundable to the Amalgamating Companies, including all or any refunds or claims shall be treated as the tax liability or refunds / claims, as the case may be, of the Amalgamated Company, and any tax incentives, advantages, privileges, exemptions, credits, holidays, remissions, reductions etc., as would have been available to the Amalgamating Companies, shall pursuant to this Scheme becoming effective on the Effective Date, be available to the Amalgamated Company, without any further act, instrument or deed required from the Amalgamating Companies and / or the Amalgamated Company and without any approval or acknowledgement of any third party, but in the manner more particularly set out herein below. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all existing and future incentives, un-availed credits and exemptions, benefit of carried forward losses and other statutory benefits, including in respect of income tax (including MAT), excise (including Modified Value Added Tax/ CENVAT), customs, VAT, sales tax, and service tax to which the Amalgamating Companies are entitled shall be available to and shall stand transferred to and vested in the Amalgamated Company without any further act, instrument or deed required by either the Amalgamated Company or the Amalgamating Companies and without any approval or acknowledgement of any third party. Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, any tax deducted at source deducted by or on behalf of the Amalgamating Companies until the Effective Date shall be deemed to have been deducted on behalf of the Amalgamated Company.
- (xv) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the benefit of any and all corporate approvals and limits as may have already been taken by the Amalgamating Companies, whether being in the nature of compliances or otherwise, including without limitation, the approvals and limits under Sections 42, 62, 179, 180, 185, 186, 188 etc., of the Act, shall stand transferred to the Amalgamated Company and the said corporate approvals and compliances shall be deemed to have been taken/complied with by the Amalgamated Company; it being clarified that if any such resolutions have any monetary limits approved subject to the provisions of the Act and of any other applicable statutory provisions, then the said limits, as are considered necessary by the Board of Directors of the Amalgamating Companies, shall be added to the limits, if any, under the like resolutions passed by the Amalgamated Company.
- (xvi) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all other estates, assets, rights, title, interests and authorities accrued to and/or acquired by the Amalgamating Companies shall be deemed to have been accrued to and/or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect, pursuant to the provisions of the Act, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company to that extent and shall become the estates, assets, right, title, interests and authorities of the Amalgamated Company.
- (xvii) Upon the Scheme coming into effect on the Effective Date, all books, record files, papers, computer programs, engineering and process information, manuals, data, production methodologies, production plans, designs, catalogues, quotations, websites, cloud storage, sales and advertising material, marketing strategies, list of present and former customers, customer credit information, customer pricing information, and other records whether in



physical form or electronic form or in any other form in connection with or relating to the Amalgamating Companies shall be deemed to have been transferred to or acquired for and on behalf of the Amalgamated Company and shall, upon this Scheme coming into effect, without any further act, instrument or deed be and stand transferred to or vested in and/or be deemed to have been transferred to or vested in the Amalgamated Company.

(xviii) Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, the Amalgamated Company shall bear the burden and the benefits of any legal, tax, quasi-judicial, administrative, regulatory or other proceedings initiated by or against the Amalgamating Companies. If any suit, appeal or other proceeding of whatsoever nature by or against the Amalgamating Companies shall be pending as on the Effective Date, the same shall not abate, be discontinued or in any way be prejudicially affected by reason of the amalgamation of such Amalgamating Companies and transfer and vesting of the same in the Amalgamated Company or of anything contained in this Scheme but the proceedings may be continued, prosecuted and enforced by or against the Amalgamated Company in the same manner and to the same extent as it would or might have been continued, prosecuted and enforced by or against the Amalgamating Companies as if this Scheme had not been made effective. Upon the Scheme becoming effective, the Amalgamated Company undertakes to have such legal or other proceedings initiated by or against the Amalgamating Companies transferred in its name and to have the same continued, prosecuted and enforced by or against the Amalgamated Company to the exclusion of the Amalgamating Companies. The Amalgamated Company also undertakes to handle all legal or other proceedings which may be initiated against the Amalgamating Companies after the Effective Date in its own name and account and further undertakes to pay all amounts, including interest, penalties, damages etc., pursuant to such legal/ other proceedings.

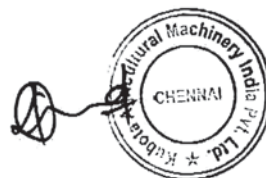
5.3, Upon the Scheme coming into effect on the Effective Date with effect from the Appointed Date, the Amalgamated Company shall be entitled to the benefit of the past experience, accreditation and/or performance of the Amalgamating Companies for all purposes without any further act, instrument or deed required by either of the Amalgamating Companies or the Amalgamated Company and without any approval or acknowledgement being required from any third party. If any instrument or deed or document is required or deemed necessary or expedient to give effect to the provisions of this Clause 5.3 by the Amalgamated Company, the Amalgamated Company shall, under the provisions of PART B of the Scheme, be deemed to be duly authorized to execute all such writings on behalf of the Amalgamating Companies and to carry out or perform all such formalities or compliances referred to above on behalf of the Amalgamating Companies.

6. CONDUCT OF AFFAIRS UNTIL THE EFFECTIVE DATE

6.1. The Amalgamating Companies and the Amalgamated Company agree that during the period between the approval of the Scheme by the respective Board of Directors of the Amalgamating Company and the Amalgamated Company and up to the Effective Date, the businesses of the Amalgamating Companies and the Amalgamated Company shall be carried out with reasonable diligence and business prudence and in the same manner as it had been doing hitherto, in good faith and in accordance with Applicable Law.

6.2. With effect from the Appointed Date and up to and including the Effective Date:

- (i) the Amalgamating Companies shall be deemed to have carried on their respective business activities and to have held and stood possessed of their properties and assets for, on behalf of and in trust for, the Amalgamated Company;
- (ii) all profits or income accruing to or received by the Amalgamating Companies, losses arising in or incurred by the Amalgamating Companies and expenditure incurred by the Amalgamating Companies (including taxes, if any, accruing or paid thereon, including but not



limited to advance tax, TDS, TCS, MAT, fringe benefit tax, securities transaction tax, taxes withheld/paid in a foreign country, customs duty, entry tax, VAT, GST, sales tax, service tax etc.) for the period from the Appointed Date based on the accounts of the Amalgamating Companies shall, subject to the Scheme being effective, for all purposes, be treated as and deemed to be the profits, income, expenditure, losses or taxes, as the case may be, of the Amalgamated Company;

- (iii) all debts, liabilities, loans raised and used, liabilities and obligations incurred, duties and obligations as on the close of business on the date preceding the Appointed Date, whether or not provided in the books of the Amalgamating Companies, which arise or accrue to the Amalgamating Companies on or after the Appointed Date, shall be deemed to be of the Amalgamated Company;
- (iv) all assets and properties comprised in the Amalgamating Companies as on the date immediately preceding the Appointed Date, whether or not included in the books of the Amalgamating Companies and all assets and properties relating thereto, which are acquired by the Amalgamating Companies, on or after the Appointed Date, shall be deemed to be the assets and properties of the Amalgamated Company; and
- (v) any of the rights, powers, authorities, privileges exercised by the Amalgamating Companies shall be deemed to have been exercised by such Amalgamating Companies for and on behalf of, and in trust for the Amalgamated Company. Similarly, any of the obligations, duties and commitments that have been undertaken or discharged by Amalgamating Companies shall be deemed to have been undertaken for and on behalf of the Amalgamated Company;

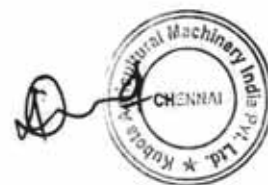
6.3. For the purpose of giving effect to the order passed under Sections 230 to 232 and other applicable provisions of the Act in respect of this Scheme by the Tribunal, the Amalgamated Company shall, at any time, pursuant to the order on this Scheme, be entitled to get the recordal of the change in the legal right(s) upon the transfer of the Amalgamating Companies, in accordance with the provisions of Sections 230 to 232 of the Act. The Amalgamated Company is and shall always be deemed to have been authorised to execute any pleadings, applications, forms etc. as may be required to remove any difficulties and carry out any formalities or compliance as are necessary for the implementation of this Scheme, pursuant to the sanction of this Scheme by the Tribunal.

6.4. The Amalgamated Company shall also be entitled, pending the sanction of this Scheme, to apply to the relevant Governmental Authorities concerned, wherever necessary, for such consents, approvals and sanctions which the Amalgamated Company may require, including the registration, approvals, exemptions, reliefs, etc., as may be required/granted under any Applicable Law for the time being in force for carrying on the business of the Amalgamating Companies.

6.5. Upon this Scheme becoming effective, the Amalgamated Company, unconditionally and irrevocably, agrees and undertakes to pay, discharge and satisfy all liabilities and obligations of the Amalgamating Companies with effect from the Appointed Date, in order to give effect to the foregoing provisions.

7. TREATMENT OF TAXES

7.1 Upon this Scheme becoming effective and with effect from the Appointed Date, any surplus in the provision for taxation/duties/levies account, including but not limited to the advance tax, TDS or TCS and MAT credit, CENVAT credit or, GST credit, as on the date immediately preceding the Appointed Date will also be transferred from the Amalgamating Companies to the Amalgamated Company. Any refund under the IT Act or other Applicable Laws dealing with taxes/duties/levies, including GST, allocable or related to the business of Amalgamating Companies or due to the Amalgamating Companies, consequent to the assessment made in respect of the Amalgamating Companies, for which no credit is taken in the book of accounts of the Amalgamating Companies as



on the date immediately preceding the Appointed Date, shall also belong to and be received by the Amalgamated Company and shall be deemed to have been on account of or paid by the Amalgamated Company and the relevant Governmental Authorities shall be bound to transfer to the account of and give credit for the same to the Amalgamated Company upon the approval of this Scheme by the NCLT and upon relevant proof and documents being provided to the said authorities.

- 7.2 Without prejudice to the generality of the above, deductions, benefits, entitlements, incentives, right to carry forward and set off accumulated losses and unabsorbed depreciation, and credits (including but not limited to MAT, CENVAT, TDS, and GST credits etc.), or any concessional or statutory forms under applicable tax laws, or local levies issued or received by the Amalgamating Companies, under the IT Act, or under any other applicable tax laws, central government/state government incentive schemes etc., to which the Amalgamating Companies are/would be entitled to in terms of the Applicable Laws of the central and state government or of any foreign jurisdictions, shall be available to and vest in or be deemed to be issued or received, as the case may be, in the name of Amalgamated Company, in the same manner and to the same extent as would have been available to the Amalgamating Companies.
- 7.3 Upon this Scheme becoming effective and with effect from the Appointed Date, the tax payments (including without limitation income tax, central and state GST, tax on the distribution of dividends, excise duty, central sales tax, custom duty, applicable state value added tax and entry tax or any other taxes as may be applicable from time to time) whether by way of TDS or TCS by the parties, advance tax, all earnest monies, security deposits provisional payments, or otherwise howsoever, by the Amalgamating Companies on or after the Appointed Date, shall be deemed to be paid by the Amalgamated Company and shall, in all proceedings, be dealt with accordingly, and the Amalgamated Company shall be entitled to credit for such taxes / duties paid against its tax/ duty liabilities, notwithstanding that the certificates / challans or other documents for payment of such taxes / duties are in the name of Amalgamating Companies.
- 7.4 Upon the Scheme becoming effective on the Effective Date and with effect from the Appointed Date, the Amalgamated Company is expressly permitted to prepare, file and / or revise, as the case may be, its financial statements and statutory / tax returns (including but not limited to income tax returns, withholding tax returns, TDS certificates, GST returns, and other tax returns) along with the prescribed forms, filings and annexures under the IT Act, (including for MAT purposes and tax benefits including brought forward book losses but subject to compliance with the provisions of Section 72A of the IT Act) and/or in relation to central sales tax, custom duty, entry tax, applicable state value added tax, central and state GST and other tax laws, and to claim tax benefits, refunds, and / or credits for the taxes paid (including MAT and TDS, among others) under the IT Act, and / or other tax laws, and for matters incidental thereto, if required, to give effect to the provisions of the Scheme. The order of the jurisdictional NCLT sanctioning the Scheme shall be deemed to be an order of the competent authority permitting the Amalgamated Company to prepare and / or revise its financial statements and books of accounts and any such revisions shall be permitted, notwithstanding that the time prescribed for filing or revising such returns may have elapsed, without incurring any liability on account of interest, penalty or any other sum, and no further act shall be required to be undertaken by the Amalgamated Company.
- 7.5 Upon this Scheme becoming effective and with effect from the Appointed Date, all inter-party transactions between Amalgamating Companies and the Amalgamated Company shall be considered as intra-party transactions for all purposes (including for tax compliances, credits, refunds, etc.).
- 7.6 Upon this Scheme becoming effective and with effect from the Appointed Date, obligation for deduction of tax at source on any payment made by or to be made by the Amalgamating Companies or for collection of tax at source on any supplies made by or to be made by Amalgamating Companies shall be made or deemed to have been made and duly complied with by the Amalgamated Company. Further, any tax deducted at source or collected at source by the Amalgamating Companies and Amalgamated Company on transactions with each other, if any (after the Appointed Date until

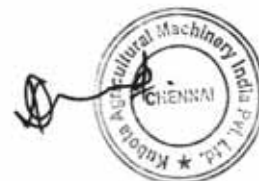


Effective Date) and deposited with Governmental Authorities shall be deemed to be advance tax paid by the Amalgamated Company and shall, in all proceedings be dealt with accordingly.

- 7.7 Upon the Scheme coming into effect on the Effective Date and with effect from the Appointed Date, all tax compliances under any tax laws by the Amalgamating Companies on or after the Appointed Date shall be deemed to be made by the Amalgamated Company.
- 7.8 Upon this Scheme becoming effective and with effect from the Appointed Date, all tax assessment proceedings and appeals of whatsoever nature by or against the Amalgamating Companies, pending and/or arising as at the Appointed Date and relating to the Amalgamating Companies, shall be continued and/enforced until the Effective Date as desired by the Amalgamated Company. As and from the Effective Date, the tax assessment proceedings/appeals shall be continued and enforced by or against the Amalgamated Company (for and on behalf of the Amalgamating Companies) in the same manner and to the same extent as would or might have been continued and enforced by or against the Amalgamating Companies. Further, the aforementioned proceedings shall not abate or be discontinued nor be in any way prejudicially affected by the reason of the amalgamation of the Amalgamating Companies with the Amalgamated Company or anything contained in PART B of this Scheme.
- 7.9 Upon this Scheme becoming effective and with effect from the Appointed Date, all the expenses incurred by the Amalgamating Companies and the Amalgamated Company in relation to the amalgamation of the Amalgamating Companies with the Amalgamated Company as per this Scheme, including stamp duty expenses and/or transfer charges, if any, shall be allowed as a deduction to Amalgamated Company in accordance with Section 35DD of the IT Act over a period of 5 (five) years beginning with the previous year in which the Scheme becomes effective.
- 7.10 Upon this Scheme becoming effective and with effect from the Appointed Date, all the deductions otherwise admissible to the Amalgamating Companies, including payment admissible on actual payment or on deduction of appropriate taxes or on payment of TDS (like Section 43B, Section 40, Section 40A etc. of the IT Act) will be eligible for deduction to the Amalgamated Company upon fulfilment of required conditions under the IT Act.
- 7.11 The amalgamation under this Scheme is in compliance with the IT Act, specifically Section 2(1B) and other relevant provisions. If any of the terms of this Scheme are found or interpreted to be inconsistent with the provisions of Section 2(1B) of the IT Act at a later date, including resulting from an amendment of law or for any other reason whatsoever, the provisions of Section 2(1B) of the IT Act shall to the extent of such inconsistency, prevail and this the Scheme shall, stand and be deemed to be modified to that extent determined necessary to comply with Section 2(1B) of the IT Act and such modifications shall not affect the other parts of this Scheme.]

8. CONDUCT OF AFFAIRS AFTER THE EFFECTIVE DATE

- 8.1. The Amalgamated Company shall, at any time after this Scheme becomes effective on the Effective Date, in accordance with the provisions hereof, if so required under any law, contract or otherwise, be entitled to do and take all such actions as may be required to give full effect to the provisions of this Scheme and for this purpose, the Amalgamated Company shall, under the provisions hereof, be deemed to be authorised on behalf of the Amalgamating Companies. Without prejudice to the generality of the above, the Amalgamated Company shall be entitled and deemed to be authorised to:-
- (i) execute appropriate deeds of confirmation or other writings or arrangements with any party to any contract or arrangement (including without limitation any bank guarantee, performance guarantee, fixed deposit, letters of credit, bill of entry etc.) in relation to which the Amalgamating Companies have been a party or to the benefit of which the Amalgamating Companies may have been entitled, and to make any filings with the Governmental



Authorities, in order to give formal effect to the provisions of the Scheme; and

- (ii) do all such acts or things as may be necessary to effectually transfer/obtain in favour of the Amalgamated Company the approvals, consents, bids, awards, tenders, exemptions, registrations, no-objection certificates, permits, quotas, rights, entitlements, licenses and certificates etc. which were held or enjoyed by the Amalgamating Companies including without limitation, execute all necessary or desirable writings and confirmations on behalf of the Amalgamating Companies and to carry out and perform all such acts, formalities and compliances as may be required in this regard.

8.2. The provisions of this Clause 8 shall operate notwithstanding anything to the contrary contained in any deed or writing or certificate or license or the terms of sanction or issue or any security, all of which instruments and documents shall stand modified and/or superseded by the foregoing provisions.

9. SAVING OF CONCLUDED TRANSACTIONS

9.1. Except as expressly provided hereunder, the transfer of assets, liabilities and obligations of the Amalgamating Companies, and the continuance of proceedings by or against, the Amalgamated Company shall not affect any transaction or proceedings already concluded by the Amalgamating Companies on or before the Appointed Date or after the Appointed Date and until the Effective Date, and to such end and intent the Amalgamated Company accepts and adopts all acts, deeds and things done and executed by and/or on behalf of the Amalgamating Companies as acts, deeds and things done and executed on behalf of itself.

10. CHANGE IN AUTHORISED SHARE CAPITAL OF THE AMALGAMATED COMPANY

10.1. As an integral part of the Scheme and upon this Scheme becoming effective on the Effective Date, the authorised share capital of Amalgamating Companies as on the Effective Date shall stand transferred to and be merged/amalgamated with the authorised share capital of the Amalgamated Company. The fee and/or stamp duty, if any, paid by the Amalgamating Companies on their respective authorised share capital shall be deemed to have been so paid by the Amalgamated Company on the combined authorised share capital, and such fee and/or stamp duty, if any, paid by the Amalgamating Companies shall be set off against any fee payable by the Amalgamated Company on such increase in its authorised share capital, consequent to the amalgamation. It is clarified that the Amalgamated Company shall not be required to pay fee and/or stamp duty to the extent set off and accordingly, shall be required to pay only the balance fee and/or stamp duty, if any, in relation to combined authorised share capital after setting off the fee and/or stamp duty already paid by the Amalgamating Companies on their authorised share capital.

10.2. Consequently, upon the Scheme becoming effective, and without any further act or instrument or deed, Clause V of the Memorandum of Association of the Amalgamated Company shall stand modified and shall read as under:-

"The Authorised Share Capital of the Company is INR 1639,00,00,000 (One Thousand Six hundred and thirty nine crore) consisting of 75,10,00,000 (Seventy Five crore and ten lakh) Equity Shares having face value of Rs. 10 (Rupees Ten) each and 88,80,00,000 (Eighty eight crore and eighty lakh) unclassified shares of Rs 10 (Rupees Ten) each."

10.3. Upon this Scheme becoming effective, the Amalgamated Company shall file necessary forms of notice of increase of the authorised share capital of the Amalgamated Company with the Registrar of Companies in accordance with Applicable Law.

10.4. In the event the authorised share capital of the Amalgamated Company undergoes any change prior to the date on which this Scheme comes into effect, the clauses specified in this Scheme to replace



the existing Clause V of the of the Memorandum of Association of the Amalgamated Company shall be modified accordingly to take into account the effect any such change.

- 10.5. It is hereby clarified that the consent of the shareholders of the Amalgamated Company and shareholders of the Amalgamating Companies of this Scheme shall be sufficient for the purposes of effecting the aforesaid additions in the Memorandum of Association of the Amalgamated Company and that no further resolutions, whether under the applicable provisions of the Act or under the Articles of Association, shall be required to be separately passed. All actions taken in accordance with this Clause 10.4 shall be deemed to be in full compliance with Sections 13, 61 and 64 and other applicable provisions of the Act and rules and regulations issued thereunder, and no further resolutions or actions under any other provisions of the Act or the rules or regulations issued thereunder would be required to be separately passed or undertaken by the Amalgamated Company.

11. DISCHARGE OF CONSIDERATION

- 11.1. Upon the Scheme coming into effect on the Effective Date, and upon the amalgamation of the Amalgamating Companies into and with the Amalgamated Company, the Amalgamated Company shall, without any further application, act, instrument, or deed, issue and allot to the respective shareholders of the Amalgamating Companies whose names are recorded in the respective register of members as a member of the Amalgamating Companies on the Effective Date, New Equity Shares, free and clear from all encumbrances together with all rights and benefits attaching thereto, in consideration for the amalgamation of the Amalgamating Companies with and into the Amalgamated Company, in the following ratio:

- (i) 5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in Amalgamating Company No. 1 having face value of INR 100 each fully paid up. ("Share Exchange Ratio 1"); and
- (ii) 5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in Amalgamating Company No. 2 having face value of INR 10 each fully paid up. ("Share Exchange Ratio 2").

- 11.2. To the extent Amalgamated Company is a shareholder of the Amalgamating Companies as on the Effective Date, no shares shall be issued by the Amalgamated Company in lieu of any such shareholding in Amalgamating Companies.

- 11.3. In the event of any increase in the issued, subscribed or paid up share capital of the Amalgamating Companies or the Amalgamated Company or issuance of any instruments convertible into equity shares or restructuring of its equity share capital including by way of share split / consolidation / issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to share capital of the Amalgamating Companies or the Amalgamated Company, including pursuant to the Capital Reduction Scheme, at any time before the Effective Date, the share exchange ratio shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

12. ISSUANCE MECHANICS

- 12.1. In terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relevant listing agreement, SEBI Circular and other Applicable Laws, if any, in each case, as amended, the New Equity Shares to be issued by the Amalgamated Company to the shareholders of the Amalgamating Companies, pursuant to this Scheme, shall be listed and admitted to trading on all the Stock Exchanges on which the equity shares of the Amalgamated Company are



listed as on the Effective Date. The New Equity Shares of the Amalgamated Company shall, however, be listed subject to the Amalgamated Company obtaining the requisite approvals from all the relevant Governmental Authorities pertaining to the listing of the New Equity Shares of the Amalgamated Company. The Amalgamated Company shall enter into such arrangement, make necessary application(s) to the stock exchange and other competent authorities, if any, and shall provide such confirmations and/or undertakings as may be necessary for this purpose and will comply with the provisions of all Applicable Laws in this regard.

- 12.2. The New Equity Shares of the Amalgamated Company issued as per Clause 11 of PART B shall be subject to the memorandum and articles of association of Amalgamated Company and shall rank *pari passu* in all respects, including voting rights, with the existing equity shares of the Amalgamated Company as on the Effective Date, including in respect of dividend, if any, that may be declared by the Amalgamated Company on or after the Effective Date.
- 12.3. The Amalgamated Company shall complete all formalities, as may be required, for allotment of the New Equity Shares to the shareholders of the Amalgamating Companies as provided in this Scheme within 30 (Thirty) days from the Effective Date. The issue and allotment of New Equity Shares by Amalgamated Company to the shareholders of the Amalgamating Companies as provided in this Scheme is an integral part thereof and shall be deemed to have been carried out without requiring any further act on the part of the Amalgamated Company or its shareholders, and shall be deemed to have been carried out in full compliance with all the procedures laid down under Section 62 read with Section 42 of the Act and any other applicable provisions of the Act and the rules and regulations issued thereunder, and such other statutes and regulations as may be applicable were duly complied with. Upon the Scheme coming into effect, the Amalgamated Company shall, if required, file all necessary documents/intimations as per the provisions of the Act and Applicable Law with the RoC or any other applicable Governmental Authority to record the amalgamation of the Amalgamating Companies with and into the Amalgamated Company, issuance of New Equity Shares by Amalgamated Company to the shareholders of the Amalgamating Companies and dissolution of the Amalgamating Companies in the manner set out in this Part B of the Scheme.
- 12.4. In accordance with the regulatory requirements, the New Equity Shares required to be issued by the Amalgamated Company to the shareholders of the Amalgamating Companies shall be issued in dematerialized form and shall be credited to the depository account of the equity shareholders of the Amalgamating Companies to the extent the details of such depository participant accounts have been provided to/are available with the Amalgamated Company.
- 12.5. For the purpose of allotment of the shares, pursuant to this Scheme, in case any shareholder holding shares in the Amalgamating Companies becomes entitled to a fraction of a share of the Amalgamated Company, the Amalgamated Company shall not issue fractional shares to such shareholder and shall consolidate all such fractions and round up the aggregate of such fractions to the next whole number and issue consolidated shares to a trustee (nominated by the Amalgamated Company in that behalf) in dematerialised form, who shall hold such shares, with all additions or accretions thereto, in trust for the benefit of the respective shareholders, to whom they belong, for the specific purpose of selling such shares in the market at such price or prices within 90 (ninety) days from the date of allotment of shares and distribute the net sale proceeds (after deduction of the expenses incurred and applicable income tax) to the respective shareholders in the same proportion of their fractional entitlements. Any fractional entitlements from such net proceeds shall be rounded off to the next Rupee. It is clarified that any such distribution shall take place only on the sale of all the fractional shares of the Amalgamated Company pertaining to the fractional entitlements.
- 12.6. In the event of any increase in the issued, subscribed or paid-up share capital of the Amalgamating Companies or the Amalgamated Company or issuance of any instruments convertible into equity shares or restructuring of its equity share capital, including by way of share split/consolidation/issue of bonus shares, free distribution of shares or instruments convertible into equity shares or other similar action in relation to share capital of the Amalgamating Companies or the Amalgamated



Company at any time before the Effective Date, the Share Exchange Ratios shall be adjusted appropriately to take into account the effect of such issuance or corporate actions and assuming conversion of any such issued instruments convertible into equity shares.

12.7. The New Equity Shares allotted pursuant to this Scheme shall remain frozen in the depositories system till listing/trading permission is given by the Stock Exchanges.

12.8. The Board of Directors (including any committee thereof) of Amalgamating Companies and the Amalgamated Company shall be empowered to remove such difficulties as may arise in the course of implementation of this Scheme and registration of new shareholders in the Amalgamated Company on account of the difficulties if any in the transition period.

13. DISSOLUTION OF AMALGAMATING COMPANY NO. 1 AND AMALGAMATING COMPANY NO. 2

13.1. Upon this Scheme becoming effective on the Effective Date, Amalgamating Company No. 1 and Amalgamating Company No. 2 shall stand automatically dissolved as an integral part of this Scheme, without being liquidated or wound-up and without requiring any further act, instrument or deed from the respective Amalgamating Companies and/or the Amalgamated Company.

13.2. It is hereby clarified that upon the dissolution of the Amalgamating Companies, in the event there are any further acts, deeds or instruments to be executed to make the Scheme effective, then the Amalgamated Company shall be able to execute such acts, deeds or instruments without any further act, deed or instrument required from either the Amalgamated Company and/or the Amalgamating Companies.

14. ACCOUNTING TREATMENT

14.1 Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation in its books of accounts, as per 'Pooling of Interest Method' and restate the financial statements from the date of common control, or from the beginning of preceding period presented in the financial statements, whichever is later, in accordance with accounting principles as laid down in Appendix-C to Ind AS-103 notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:

- (i) The Amalgamated Company, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the 'Pooling of Interest Method' under the Indian Accounting Standards 103 – 'Business Combination' notified under Section 133 of the Act read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.
- (ii) The Amalgamated Company shall, upon the Scheme becoming effective, record the assets, liabilities and reserves of the Amalgamating Companies at their respective carrying values and in the same form as appearing in its books of Amalgamating Companies.
- (iii) The balance of the earnings in the books of Amalgamating Companies as on the Appointed Date shall be aggregated with the corresponding balance of earnings of the Amalgamated Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Companies. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.



- (iv) Face value of the New Equity Shares issued and allotted by Amalgamated Company to the shareholders of the Amalgamating Companies in accordance with this Scheme shall be recorded as equity share capital of the Amalgamated Company.
- (v) All inter-company balances between the Amalgamating Companies and Amalgamated Company, if any, shall stand cancelled.
- (vi) Upon this Scheme becoming effective, all the inter-company investments between the Amalgamating Companies and Amalgamated Company will stand cancelled without any further application, act, instrument or deed.
- (vii) The difference between the consideration discharged by the Amalgamated Company pursuant to 11.1 above and the carrying amount of net assets and reserves of Amalgamating Companies transferred and recorded by Amalgamated Company as aforesaid after taking into consideration the cancellation of inter-company balances and inter-company investments as per clause (v) and (vi) above shall be transferred to capital reserve and should be presented separately from other reserves of the Amalgamated Company.

In case of any difference in accounting policy between the Amalgamating Companies and the Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail and the difference till the Appointed Date shall be quantified and adjusted in the books of the Amalgamating Companies.

- 14.2 Upon the Scheme becoming effective, the Amalgamating Companies shall stand dissolved without being wound up and hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Companies.



PART C

GENERAL TERMS AND CONDITIONS

15. PROVISIONS APPLICABLE TO PART B

15.1. Upon the sanction of this Scheme by the Tribunal and upon this Scheme becoming effective, the following shall be deemed to have occurred on the Appointed Date and become effective and operative only in the sequence and in the order mentioned hereunder:

- (i) the amalgamation of the Amalgamating Companies into the Amalgamated Company in accordance with PART B of the Scheme;
- (ii) transfer of the authorised share capital of the Amalgamating Companies to the Amalgamated Company as provided in PART B of this Scheme, and consequential increase in the authorised share capital of the Amalgamated Company as provided in PART B of this Scheme;
- (iii) issuance and allotment of New Equity Shares to the shareholders of the Amalgamating Companies, without any further act, instrument or deed, in accordance with PART B of this Scheme; and
- (iv) dissolution of the Amalgamating Companies without winding up.

16. CONDITIONALITY OF THE SCHEME

16.1. The effectiveness of this Scheme is conditional upon and subject to the following:

- (i) receipt of an 'Observation Letter' or a 'No-objection Letter' from the designated stock exchange on the Scheme, as required under Applicable Laws, which shall be in a form and substance acceptable to the Amalgamating Companies and the Amalgamated Company, each acting reasonably and in good faith;
- (ii) this Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Companies as may be required under Applicable Laws or as may be directed by the NCLT;
- (iii) this Scheme shall be acted upon only if the votes cast by public shareholders of Amalgamated Company in favour of the Scheme are more than the number of votes cast by public shareholders against it, through e-voting in terms of Paras (A)(10)(a) and (A)(10)(b) of Part I of the SEBI master circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021;
- (iv) the sanction to the Scheme by the NCLT;
- (v) compliance with such conditions as may be imposed by the NCLT;
- (vi) the receipt of the order of the NCLT for approving the Capital Reduction Scheme by the Amalgamated Company, and the Amalgamated Company having filed the certified copy of such order of the NCLT with the Registrar of Companies, and the capital reduction pursuant to the Capital Reduction Scheme having come into effect;
- (vii) receipt of the approval from the CCI in respect of the Scheme contemplated herein, (if applicable), in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Amalgamating Companies and the Amalgamated Company,



which shall be in form and substance acceptable to the Amalgamating Companies and the Amalgamated Company, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme contemplated herein, together with any extensions thereof, shall have expired.

- (viii) the receipt of such other approvals, including approvals of any Governmental Authority as may be necessary under Applicable Laws or under any material contract to make this Scheme or the relevant Part of this Scheme effective or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted; and
- (ix) the certified copies of the order of the NCLT sanctioning this Scheme (wholly or partially) being filed with the Registrar of Companies by each of the Companies.

16.2. The Scheme shall not come into effect unless the aforementioned conditions mentioned in 16.1 of PART C above are satisfied, and in such an event, unless each of the conditions is satisfied, no rights and liabilities whatsoever shall accrue to or be incurred inter se the Amalgamating Companies, the Amalgamated Company or their respective shareholders or creditors or employees or any other person.

17. APPLICATIONS TO THE NCLT

Subject to Clauses 16.1(i), 18 and 19 of this Scheme,

- 17.1. the Companies shall, with all reasonable dispatch, make and file, jointly, all applications and petitions to the NCLT, under Sections 230 to 232 and other applicable provisions of the Act, seeking orders for dispensing with or convening of the meetings of the different classes of their respective shareholders and/or creditors and for sanctioning this Scheme with such modifications, as may be approved/required by the SEBI, the NCLT or any other Governmental Authority.
- 17.2. upon this Scheme being approved by the requisite majority of the shareholders and creditors of the Companies (wherever required), the Companies shall make and file, jointly, all applications and petitions before the NCLT for sanction of this Scheme under Sections 230 to 232 and other applicable provisions of the Act, and for such other order or orders, as the NCLT may deem fit for bringing this Scheme into effect. Upon this Scheme becoming effective, the shareholders and the creditors of the Companies shall be deemed to have also accorded their approval under all relevant provisions of the Act for giving effect to the specific provisions contained in this Scheme.

18. MODIFICATIONS/AMENDMENTS TO THE SCHEME

- 18.1. The Companies, acting through their respective Boards of Directors, or such other person or persons, as the respective Board of Directors may authorize, including any committee or sub-committee thereof, may, jointly and as mutually agreed in writing, assent to any modifications or amendments to this Scheme, which the NCLT, SEBI and/or any other Governmental Authorities may deem fit to direct or impose, or which may otherwise be considered necessary or desirable for settling any question or doubt or difficulty that may arise in implementing and/or carrying out this Scheme provided however that no modification to the Scheme will be made which adversely affects the rights or interest of the secured creditors without seeking their approval. The Companies, acting through their respective Boards of Directors, be and are hereby authorised to take all such steps and do all acts, deeds and things as may be necessary, desirable or proper to give effect to this Scheme and to resolve any doubts, difficulties or questions, whether by reason of any orders of the NCLT or of any directive or orders of SEBI or any other Governmental Authorities or otherwise howsoever, arising, out of, under, or by virtue of this Scheme and/or any matters related to or connected therewith.

- 18.2. If, at any time, before or after the Effective Date, any provisions or parts of this Scheme are found



to be, or interpreted to be, invalid or illegal or inconsistent with any Applicable Laws, or rejected, or unreasonably delayed, or not sanctioned by the NCLT, or is or becomes unenforceable, under present or future Applicable Laws, or due to any change in any Applicable Laws, then it is the intention of the Companies that such part shall be severable from the remainder of this Scheme and subject to other parts/provisions of this Scheme shall not be affected thereby, unless the deletion of such part shall cause this Scheme to become materially adverse to any of the Companies in the sole opinion of the Board of Directors of the relevant Companies. In such a case, the Companies, acting through their respective Boards of Directors, may, at their discretion, either bring about such modification in this Scheme, as is likely to best preserve for the relevant Companies, the benefits and obligations of this Scheme and/or withdraw the Scheme or any part thereof, wholly or partially.

- 18.3. The Companies, acting through their respective Boards of Directors, shall each be at liberty to withdraw this Scheme, wholly or partially, in case any condition or alteration imposed by the NCLT, SEBI or any other Governmental Authority is unacceptable to any of them or otherwise if so decided by their respective Board of Directors. In the event any parts or provisions of this Scheme are withdrawn and the Companies decide to implement the remaining Parts or provisions of this Scheme, to the extent of such withdrawn provisions, this Scheme shall become null and void and no rights or liabilities whatsoever shall accrue to, or be incurred by, the relevant Companies, their respective shareholders and/or creditors and/or any other persons with respect to such provisions or parts of the Scheme.

19. EFFECT OF NON-RECEIPT OF APPROVALS/SEVERABILITY

- 19.1. In the event any of the sanctions, consents or approvals referred to in Clause 16 above are not obtained or received and/or the Scheme, or any part thereof, has not been sanctioned by the NCLT, the Board of Directors of each of the Companies, shall, by mutual agreement, determine whether:
- (i) this Scheme shall stand revoked and cancelled in entirety and shall be of no effect, save and except in respect of any act or deed done prior thereto as is contemplated hereunder or as to any rights and/or liabilities which might have arisen or accrued pursuant thereto and which shall be governed and be preserved or worked out as is specifically provided in the Scheme or under Applicable Law and in such event, each company shall bear and pay its respective costs, charges and expenses for and in connection with the Scheme; or
 - (ii) such part shall be severable from the remainder of the Scheme and the remainder of the Scheme shall not be affected thereby, unless the deletion of such part shall cause the Scheme to become materially adverse to any Company, in which case each of the Companies, (acting through their respective Boards of Directors) shall attempt to bring about a modification in the Scheme, as will best preserve for the Companies, the benefits and obligations of this Scheme, including but not limited to such Part. Provided, however, that no modification to the Scheme shall be made which adversely affects the rights or interests of the secured creditors, without seeking their approvals.

20. COMPLIANCE WITH LAWS

- 20.1. This Scheme is presented and drawn up to comply with the provisions/requirements of Sections 230 to 232 and other applicable provisions of the Act, for the purpose of amalgamation of the Amalgamating Companies into and with the Amalgamated Company; and other actions incidental or connected therewith.
- 20.2. This Scheme has been drawn up to comply with the conditions relating to 'amalgamation' with respect to PART B as defined under Section 2(1B) of the IT Act.
- 20.3. The Companies undertake to comply with all Applicable Laws, including all applicable compliances required by the SEBI and the Stock Exchanges including making the requisite intimations and



disclosures to any statutory or regulatory authority and obtaining the requisite consent, approval or permission of the central government, RBI (if required) or any other statutory or regulatory authority, which by Applicable Law may be required for the implementation of this Scheme.

21. CANCELLATION OF INTER-SE TRANSACTIONS

- 21.1. Upon this Scheme becoming effective on the Effective Date and with effect from the Appointed Date, all loans, advances, trade receivables and other obligations or liabilities due, from or by or any guarantees given on behalf, any of the Amalgamating Companies to or for each other or to the Amalgamated Company or *vice versa*, if any, and all contracts, arrangements and transactions, of any nature whatsoever, between any of the Amalgamating Companies and the Amalgamated Company (other than this Scheme) shall stand automatically cancelled and terminated and shall be of no effect, without any further act, instrument or deed being required from any of the Companies and without any approval or acknowledgement of any third party. No further taxes, fees, duties or charges shall be required to be paid by the Amalgamating Companies or the Amalgamated Company on account of such cancellation or termination.

22. POWER TO GIVE EFFECT TO THIS SCHEME

- 22.1. The Amalgamated Company shall enter into and/or issue and/ or execute deeds writings or confirmation or enter into any tripartite arrangements, confirmations or novations, to which the Amalgamating Companies will, if necessary, also be party in order to give formal effect to the provisions of this Scheme, if so required. Further, upon the coming into effect of the Scheme, the Amalgamated Company shall be deemed to be authorised to execute any such deeds, writings, confirmations on behalf of the Amalgamating Companies and to implement or carry out all formalities required on the part of the Amalgamating Companies to give effect to the provisions of this Scheme.
- 22.2. Upon coming into effect of the Scheme, the Amalgamated Company and/or the Amalgamating Companies shall, with reasonable dispatch/time lines apply for transition of all licenses and statutory registrations of the Amalgamating Companies including but not limited to product registrations (including applications and authorizations for product registrations), manufacturing licenses, insurance policies, product permissions, certificates, market authorizations, filings, dossiers (including experience and pre-qualification submissions), industrial licenses, municipal permissions, approvals, consents, permits, quotas, incentives, subsidies and recognitions. The period between Effective Date and the last date on which the transfer of all such aforementioned licenses and statutory registrations have occurred is hereinafter referred to as "**Transitory Period**". During the Transitory Period the Amalgamated Company, may procure or use or manufacture or sale, all materials and products under the respective country registrations including the packing material, art work, label goods, cartons, stickers, wrappers, labels, containers, point of sale material, sign board, samples, closures, publicity materials in the name and form/format of the Amalgamating Companies under any license and/or statutory registration, if any, while conducting the business of the Amalgamating Companies, with a view to avoid any disruption of business, to ensure continuity of operations and uninterrupted supply of the registered products for export purposes.
- 22.3. Even after the Scheme becomes operative, the Amalgamating Companies shall be entitled to operate all banks accounts and use all bank guarantees and letter of credit of the Amalgamated Company and release all monies and complete and enforce all subsisting contracts and transactions in respect of the Amalgamating Companies in the name of Amalgamating Companies in so far as may be necessary, till the transfer of rights and obligations of the Amalgamating Companies to the Amalgamated Company until this Scheme is formally accepted by the all the parties concerned.

23. CAPITAL AND DIVIDENDS

- 23.1. Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to declare



and/or pay dividends, whether interim and/or final or issue bonus shares, to their respective shareholders prior to the Effective Date.

- 23.2. It is clarified that the aforesaid provisions in respect of declaration of dividends are enabling provisions only and shall not be deemed to confer any right on any shareholder of the Companies to demand or claim any dividends which, subject to the provisions of the Act, shall be entirely at the discretion of the respective Boards of Directors of the Companies, and if applicable as per the provisions of the Act, shall also be subject to the approval of the shareholders of the relevant Company or Companies.
- 23.3. Nothing in this Scheme shall be interpreted to restrict the ability of any of the Companies to raise capital or funds whether by way of equity or debt, in any manner whatsoever, at any time prior to the Effective Date.

24. COSTS

- 24.1 All costs, charges, taxes including stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Companies and the Amalgamated Company arising out of or incurred in connection with implementing this Scheme and matters incidental thereto on or prior to the Effective Date shall be borne by the respective Parties.
- 24.2 All costs, charges, taxes including stamp duty, levies and all other expenses, if any (save as expressly otherwise agreed) of the Amalgamating Companies and the Amalgamated Company arising out of or incurred in connection with and implementing this Scheme and matters incidental thereto after the Effective Date shall be borne by the Amalgamated Company.

25. SCHEME AS AN INTEGRAL WHOLE AND SEVERABILITY

The provisions contained in this Scheme are inextricably inter-linked with the other provisions and this Scheme constitutes an integral whole, except to the extent that the Companies may agree otherwise in writing.



Niranjan Kumar

Registered Valuer - Securities or Financial Assets

Strictly Private and Confidential

Date: 15 September 2022

To,
Independent Committee/ Audit Committee/ The Board of Directors
Escorts Kubota Limited,
15/5, Mathura Road,
Faridabad – 121 003, Haryana.

To,
Audit Committee/ The Board of Directors
Escorts Kubota India Private Limited,
18/4, Mathura Road,
Faridabad – 121 007, Haryana

To,
Audit Committee/ The Board of Directors
Kubota Agricultural Machinery India Private Limited,
18/4, Mathura Road,
Faridabad – 121 007, Haryana

Subject: Recommendation of fair share exchange ratios for the Proposed Amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited.

Dear Sir / Madam,

We refer to the engagement letter dated 18 August 2022 and subsequent discussions undertaken with the Management of Escorts Kubota Limited ('EKL' or 'Amalgamated Company'), Escorts Kubota India Private Limited ('EKI' or 'Amalgamating Company No. 1') and Kubota Agricultural Machinery India Private Limited ('KAI' or 'Amalgamating Company No. 2'), whereby it has appointed Niranjan Kumar, Registered Valuer – Securities or Financial Assets ('NK', or 'We' or the 'Valuer') to undertake valuation exercise and recommend fair share exchange ratios for the proposed amalgamation of EKI and KAI with EKL, pursuant to a Composite Scheme of Amalgamation (the 'Scheme') as per the provisions of section 230 to 232, and other applicable sections of the Companies Act, 2013 ('Proposed Amalgamation').

Hereinafter, Amalgamating Company No. 1 and Amalgamating Company No. 2 shall together be referred to as 'Amalgamating Companies'; the Amalgamating Companies and the Amalgamated Company shall together be referred to as the 'Companies' and the Management including the Independent Committee of EKL, Audit Committee and Board of Directors of the Companies shall together be referred to as the 'Management';

Please find enclosed the Report (comprising 17 pages including annexures) detailing our recommendation of share exchange ratios for the Proposed Amalgamation, the methodologies employed, and the assumptions used in our analysis.

This Report sets out our scope of work, background, source of information, procedures performed by us and our recommendation of the fair share exchange ratio(s) for the Proposed Amalgamation.

Certified True Copy
For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary

BACKGROUND, SCOPE AND PURPOSE OF THIS REPORT

Escorts Kubota Limited ('EKL' or 'Amalgamated Company'), incorporated on 17 October 1944 is engaged in the business of automotive engineering and manufacturing agricultural tractors, material handling equipment, railway equipment, construction etc. The equity shares of EKL are listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

Escorts Kubota India Private Limited ('EKI' or 'Amalgamating Company 1'), a private limited company incorporated on 23 February 2019 is engaged in the business of production and sale of tractors for the Indian and global markets. EKI is a 60:40 joint venture between Kubota Corporation, Japan ('Kubota') and EKL respectively.

Kubota Agricultural Machinery India Private Limited ('KAI' or 'Amalgamating Company 2'), a private limited company incorporated on 08 December 2008 is engaged in the business of assembling and trading of tractors and other agri machines procured from EKI or Kubota. KAI is a 60:40 joint venture between Kubota and EKL respectively.

We understand that with an intention to consolidate agri-business operations in India, the Management of the Companies are contemplating a scheme of amalgamation, wherein they propose to amalgamate EKI and KAI with EKL in accordance with the provisions of sections 230 to 232 of the Companies Act, 2013 or any statutory modifications, re-enactment or amendments thereof for the time being in force ("the Act") read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ("the Rules"), as amended from time to time and all other applicable provisions, if any, of the Act and any other applicable law for the time being in force including the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the circulars issued therein, in each case, as amended from time to time, and in a manner provided in the Draft Composite Scheme of Amalgamation (hereinafter referred to as 'the Scheme'). Further as a consideration for the Proposed Amalgamation under Part B of the Scheme, equity shares of the Amalgamated Company would be issued to the equity shareholders of Amalgamating Companies (except equity shares held by EKL which shall be cancelled pursuant to the Proposed Amalgamation).

The equity shares to be issued for the aforesaid Proposed Amalgamation will be based on the fair share exchange ratio as determined by the Management on the basis of the fair share exchange ratio report prepared by us.

In connection with the above-mentioned Proposed Amalgamation, the Management has appointed Niranjana Kumar, Registered Valuer – Securities or Financial Assets ('NK') to submit a report recommending the fair share exchange ratio for the Proposed Amalgamation of EKI and KAI with EKL.

We would like to emphasize that certain terms of the Proposed Amalgamation are stated in our report, however the detailed terms of the Proposed Amalgamation shall be more fully described and explained in the Scheme document to be submitted with relevant authorities in relation to the Proposed Amalgamation. Accordingly, the description of the terms and certain other information contained herein is qualified in its entirety by reference to the underlying Scheme.

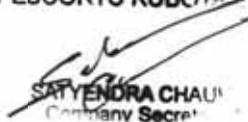
Niranjana Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

Certified True Copy
For ESCORTS KUBOTA LIMITED

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SATYENDRA CHAUHAN
Company Secretary

We understand that the appointed date for the Proposed Amalgamation shall be 1 April 2023. We have carried out our Valuation to determine the fair share exchange ratios for the Proposed Amalgamation as at the Report Date ("Valuation Date").

The scope of our services is to conduct a relative (and not absolute) valuation exercise as at the Valuation Date to determine the equity value of the Companies and then arrive at the fair share exchange ratios using internationally accepted valuation methodologies as may be applicable to the Companies including requirement prescribed by the Securities Exchange Board of India ('SEBI') Regulations as may be applicable to listed companies and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 notified by the Institute of Chartered Accountants of India (ICAI).

This report is our deliverable for the said engagement and is subject to the scope, assumptions, exclusions, limitations and disclaimers detailed hereinafter. As such, the report is to be read in totality and in conjunction with the relevant documents referred to therein.

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Certified True Copy
For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

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BACKGROUND OF THE COMPANIES

A. Escorts Kubota Limited ('EKL' or 'Amalgamated Company')

EKL is one of leading engineering conglomerates offering solutions for agriculture, infrastructure and railways.

EKL primarily operates in 3 different segments:

- Escorts Agri Machinery (EAM) - Tractors, engines, spare parts, gensets etc.;
- Escorts Construction Equipment (ECE) - Construction and material handling equipment (backhoe loaders, soil compactors, pick-and-carry hydraulic mobile cranes etc.); and
- Railway Equipment Division (RED) - Brake systems, couplers, suspension systems, shock absorbers etc. for railways.

It also trades in oils & lubricants, implements, trailers, tractors, compressor accessories and spares, etc. The equity shares of EKL are listed on BSE and NSE.

The issued and subscribed outstanding equity share capital of EKL as on date comprises of 13,19,40,604 equity shares of face value of INR 10 each fully paid up. EKL has approved a scheme for cancellation of 2,14,42,343 equity shares of INR 10 each held by Escorts Benefit and Welfare Trust (referred to as 'Capital Reduction Scheme'), we understand that it has already received no objection certificate/observation letter from the respective stock exchanges and shareholder's approval in relation to such capital reduction. Upon effectiveness of the above-mentioned Capital Reduction Scheme and consequent cancellation of the equity share capital as provided above, the revised shareholding pattern as at the Valuation Date would be as under:

Name of shareholder	Number of shares	Percentage (%)
Promoter & Promoter Group	7,47,46,365	67.6%
Public	3,34,57,518	30.3%
Employee Trust	22,94,378	2.1%
Total no. of equity shares outstanding	11,04,98,261	100.0%

Escorts Kubota India Private Limited

EKI is primarily engaged in the business of production and sale of tractors for the Indian and global markets. It also exports certain components and spare parts.

We have been informed that up to FY22, EKI manufactured two kinds of tractors (i.e. 45HP and 55HP) Further, it plans to foray into production of small tractors in the ongoing financial year.

It is joint venture between Kubota and EKL with an equity holding of 60% and 40% respectively. Share capital of EKI as at the Valuation Date comprises of 3,00,00,000 equity shares with a face value of INR 100/- each. The shareholding pattern of EKI is as follows:

Name of shareholder	Number of shares	Percentage (%)
Kubota Corporation	1,80,00,000	60.0%
Escorts Kubota Limited	1,20,00,000	40.0%
Total no. of equity shares outstanding	3,00,00,000	100.0%

Certified True Copy
For ESCORTS KUBOTA LIMITED


SATVENDRA CHAUHAN
Company Secretary

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

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Kubota Agricultural Machinery India Private Limited

KAI, incorporated in 2008 is engaged in carrying out following business activities:

- trading of agricultural machineries - tractors, farm machines such as combine harvesters and rice planters, implements and related parts;
- exports of spares parts procured locally in India to Kubota group companies; and
- provides various services including post sales service, warranty and key components for repair and maintenance.

Its product range includes tractors, combine harvester and rice transplanter, utility vehicle, turf equipment, engines, weighing and measuring control systems, ductile iron pipes, valves, pumps etc.

KAI operates through its units in Pune and Chennai and has warehouses in various cities in India.

The share capital of KAI as at the Valuation Date comprises of 5,00,00,000 equity shares with a face value of INR 10/- each. The share holding pattern is as follows:

Name of shareholder	Number of shares	Percentage (%)
Kubota Corporation	3,00,00,000	60.0%
Escorts Kubota Limited	2,00,00,000	40.0%
Total no. of equity shares outstanding	5,00,00,000	100.0%

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For ESCORTS KUBOTA LIMITED



SATISH
Kumar

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

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SOURCES OF INFORMATION

In connection with this exercise, we have used the following information received from the Management and/or obtained from the public domain:

A. Companies' specific information:

- Audited financial statements for the financial year ('FY') ended 31 March 2020, 31 March 2021 ('FY21') and 31 March 2022 ('FY22') according to Indian Accounting Standards ('Ind AS') for the Companies;
- Limited review standalone and consolidated financial statements of EKL for 3 months period ended 30 June 2022;
- Projected income statement, working capital and capital expenditure from FY ended 31 March 2023 ('FY23') to FY ended 31 March 2030 ('FY30') for EKI which the Management of EKI believes to be their best estimate of the expected performance of the company ('Management Projections of EKI');
- Projected income statement, working capital and capital expenditure from FY23 to FY30 for KAI which the Management of KAI believes to be their best estimate of the expected performance of the company ('Management Projections of KAI');
- Provisional computation of income tax return for the EKI and KAI for FY22 including the statement of carried forward income tax and book losses available for set-off;
- Draft Composite Scheme of Amalgamation;
- Shareholding pattern of the Companies as at the Valuation Date;
- Discussions and correspondences with the respective Management to inter-alia understand the historical and expected future performance and prospects, key value drivers, and competitive scenario affecting the Companies; and
- Other information and documents considered relevant for the purpose of this engagement.

B. Industry and economy information:

- Information available in public domain and databases such as Capital IQ and other subscribed databases.
- Such other information and relevant data, representations, information and explanations provided by the Management as considered relevant for the purpose of this engagement.

Besides the above listing, there may be other information provided by the Management which may not have been perused by us in detail, if not considered relevant for our defined scope.

We have also considered/ obtained such other analysis, review, explanations and information considered reasonably necessary for our exercise, from the Management.

The Management of the Companies have been provided with the opportunity to review the draft report (excluding the recommended fair share exchange ratios) as part of our standard practice to make sure that factual inaccuracy/ omissions are avoided in our report.

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For ESCORTS KUBOTA LIMITED



S. CHAUHAN
Notary

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

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PROCEDURE ADOPTED

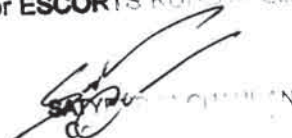
Procedures adopted for our analysis included such substantive steps as we considered necessary under the circumstances, including, but not necessarily limited to the following:

- Discussion with the Management to *inter-alia*:
 - Understand the business and fundamental factors that affect the business of the Companies including their earning generating capability including strength, weakness, opportunity and threat analysis;
 - Understand historical financial performance, current state of affairs, future financial estimates/ plans for Management Projections;
- Analysis of information shared by the Management;
- Considered the audited financial statements of the Companies as per Ind AS for FY20, FY21 and FY22;
- Considered limited review financial statements of EKL for 3 months period ended 30 June 2022;
- Considered the Management Projections of EKI and Management Projections of KAI (together referred to as 'Management Projections');
- Considered Draft Composite Scheme of Amalgamation;
- Considered the shareholding pattern of the Companies as at Report Date;
- Discussions with the Management to obtain requisite explanation and clarification of data provided;
- Selection of appropriate internationally accepted valuation methodology/ (ies) after deliberations and consideration to the sector in which the Companies operate and analysis of the business operations and financial performance of the Companies;
- Arrived at the valuation of the Companies using the method/(s) considered appropriate;
- Arrived at the value of equity shares of Companies after giving due weightage to the value arrived under the different methods;
- Arrived at the fair share exchange ratios for the Proposed Amalgamation of EKI & KAI with EKL.

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For ESCORTS KUROTA LIMITED



Niranjana Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
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SCOPE, LIMITATIONS, ASSUMPTIONS, QUALIFICATIONS, EXCLUSIONS AND DISCLAIMERS

Provision of valuation opinions and consideration of the issues described herein are areas of our regular practice. The services do not represent accounting, assurance, accounting/ tax due diligence, consulting or tax related services that may otherwise be provided by us.

The scope of our service is to conduct a relative (and not absolute) Valuation exercise as at the Valuation Date to determine the value of the companies using internationally accepted valuation methodologies as may be applicable to the subject companies being valued and arrive at a share exchange ratio and report on the same in accordance with generally accepted professional standards including ICAI Valuation Standards, 2018 issued by the Institute of Chartered Accountants of India (ICAI).

The recommendation contained herein is as at the Valuation Date and is not intended to represent value at any time other than the date of the Report.

This Report, its contents and the results herein are specific to

- the purpose of valuation agreed as per the terms of our engagement;
- the date of the Report;
- the market price reflecting the fair value of the underlying equity shares of EKL; and
- data detailed in the section - Sources of Information.

We have been informed by the Management that the business activities of the Companies have been carried out in the normal and ordinary course between the latest financials and the report date and that no material changes have occurred in their respective operations and financial position between the latest available financials and the Valuation Date.

An analysis of this nature is necessarily based on the prevailing stock market, financial, economic and other conditions in general and industry trends in particular. It is based on information made available to us as of the date of this Report, events occurring after that date hereof may affect this Report and the assumptions used in preparing it, and we do not assume any obligation to update, revise or reaffirm this Report.

The ultimate analysis will have to be tempered by the exercise of judicious discretion by the Valuer and judgment taking into account the relevant factors. There will always be several factors e.g., Management capability, present and prospective yield on comparable securities, market sentiment etc., which are not evident on the face of the financial statements, but which will strongly influence the equity value/ the worth of the security.

The recommendation(s) rendered in this report only represent our recommendation(s) based upon information furnished by the Management (or its representatives) till the date of this report and other sources, and the said conclusion shall be considered to be in the nature of non-binding advice (our recommendation should not be used for advising anybody to take buy or sell decision, for which specific opinion needs to be taken from expert advisors).

It was not part of our Valuation exercise to perform an assessment with regard to the amount and specific usability of the tax loss carry forward available with the Companies. In this regard, we have relied on assumptions provided by the Companies. Any change in the assumptions might have a significant impact on the Valuation.

Niranjan Kumar

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SATYENDRA
KUMAR

The determination of fair value for arriving at fair share exchange ratios is not a precise science and the conclusions arrived at in many cases, will, of necessity, be subjective and dependent on the exercise of individual judgment. There is, therefore, no indisputable single fair value. While we have provided our recommendation of the fair share exchange ratio based on the information available to us and within the scope and constraints of our engagement, others may have a different opinion. The final responsibility for the determination of the fair share exchange ratios at which the Proposed Amalgamation shall take place will be with the Management of the Companies, who should take into account other factors such as their own assessment of the Proposed Amalgamation and input of other advisors.

In the course of our analysis, we were provided with both written and verbal information, including market, technical, financial and operating data including information as detailed in the section - Sources of Information by the Management.

In accordance with the terms of our engagement, we have assumed and relied upon, without independent verification of,

- i) the accuracy of information made available to us by the Management, which formed a substantial basis for the report; and
- ii) the accuracy of information that was publicly available.

We have not carried out a due diligence or audit or review of the Companies for the purpose of this engagement, nor have we independently investigated or otherwise verified the data provided.

We are not legal or regulatory advisors with respect to legal and regulatory matters for the Proposed Amalgamation. We do not express any form of assurance that the financial information or other information as prepared and provided by the Management is accurate. Also, with respect to explanations and information sought from the advisors, we have been given to understand by the Management that they have not omitted any relevant and material factors and that they have checked the relevance or materiality of any specific information to the present exercise with us in case of any doubt. Accordingly, we do not express any opinion or offer any form of assurance regarding its accuracy and completeness.

Our conclusions are based on these assumptions and information given by/ on behalf of the Management. The Management have indicated to us that they have understood any omissions, inaccuracies or misstatements may materially affect our recommendation. Accordingly, we assume no responsibility for any errors in the information furnished by the Companies and their impact on the report. Also, we assume no responsibility for technical information (if any) furnished by the Management. However, nothing has come to our attention to indicate that the information provided was materially misstated/ incorrect or would not afford reasonable grounds upon which to base the report. We do not imply, and it should not be construed that we have verified any of the information provided to us, or that our inquiries could have verified any matter, which a more extensive examination might disclose.

The Report assumes that the Companies comply fully with relevant laws and regulations applicable in all its areas of operations and that the Companies will be managed in a competent and responsible manner. Further, except as specifically stated to the contrary, this Report has given no consideration on to matters of a legal nature, including issues of legal title and compliance with local laws and litigation and other contingent liabilities that are not represented to us by the Management.

Niranjan Kumar

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SATYENDRA CHAUHAN
Company Secretary

This Report does not look into the business/ commercial reasons behind the Proposed Amalgamation nor the likely benefits arising out of the same. Similarly, the report does not address the relative merits of the Proposed Amalgamation as compared with any other alternative business transaction, or other alternatives, or whether or not such alternatives could be achieved or are available. This Report is restricted to recommendation of fair share exchange ratios only.

We would like to emphasize that the Management Projections and realization of free cash flow forecast used in the analysis will be dependent on the continuing validity of assumptions on which they are based. Our analysis, therefore, will not, and cannot be directed to providing any assurance about the achievability of the Management Projections. Since the financial forecasts relate to the future, actual results are likely to be different from the projected results because events and circumstances do not occur as expected, and the differences could be material. To the extent that our conclusions are based on the forecasts, we express no opinion on achievability of those Management Projections. The fact that we have considered the Management Projections in the valuation exercise should not be construed or taken as our being associated with or a party to such Management-Projections.

The fee for the Engagement is not contingent upon the results reported.

We owe responsibility only to the Management, who have appointed us, and nobody else. We do not accept any liability to any third party in relation to the issue of this Report. It is understood that this analysis does not represent a fairness opinion. In no circumstance, shall the liability of NK exceed the amount as agreed in our Engagement Letter.

This Valuation Report is subject to the laws of India.

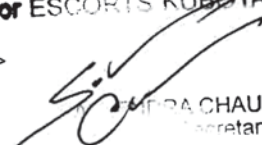
Neither the Report nor its contents may be referred to or quoted in any registration statement, prospectus, offering memorandum, annual report, loan agreement or other agreement or document given to third parties, other than in connection with the purpose of determining the fair share exchange ratio for the Proposed Amalgamation and relevant filing with regulatory authorities in this regard, without our prior written consent.

In addition, this report does not in any manner address the prices at which equity shares of the EKL shall trade following announcements of the Proposed Amalgamation and we express no opinion or recommendation as to how shareholders of the Companies should vote at any shareholders' meetings. Our report and the opinion/ valuation analysis contained herein is not to be construed as advice relating to investing in, purchasing, selling or otherwise dealing in securities.

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For ESCORTS KUBOTA LIMITED

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ANURAG CHAUHAN
Secretary

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

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VALUATION APPROACH & METHODOLOGY

Basis and Premise of Valuation:

Valuation of the equity shares of the Companies as on the Valuation Date is carried out in accordance with ICAI Valuation Standards ('ICAI VS'), considering 'relative value' base and 'going concern' premise. Valuation base means the indication of the type of value being used in an engagement. Any change in the Valuation base, or the Valuation premise could have a significant impact on the Valuation outcome of the Companies.

Basis of Valuation

It means the indication of the type of value being used in an engagement. Fair Value as per ICAI VS is defined as under:

'Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the valuation date.'

Premise of Value:

Premise of Value refers to the conditions and circumstances how an asset is deployed. Valuation of the Companies is carried out on a Going Concern Value premise which is defined under ICAI VS as under:

'Going concern value is the value of a business enterprise that is expected to continue to operate in the future. The intangible elements of going concern value result from factors such as having a trained work force, an operational plant, the necessary licenses, systems, and procedures in place, etc.'

It is pertinent to note that the valuation of any business/company or its assets is inherently imprecise and is subject to various uncertainties and contingencies, all of which are difficult to predict and are beyond our control. In performing our analysis, we made numerous assumptions considering inter-alia general business and economic conditions, many of which are beyond the control of the company. In addition, this valuation will fluctuate with changes in prevailing market conditions, and prospects, financial and otherwise, of the business, and other factors which generally influence the valuation of the company, its business and assets.

The application of any particular method of valuation depends on the purpose for which the valuation is done. Although, different values may exist for different purpose, it cannot be too strongly emphasized that a valuer can only arrive at one value for one purpose. Our choice of methodology of valuation has been arrived at using usual and conventional methodologies adopted for transactions of similar nature and our reasonable judgment, in an independent and bona fide manner based on our previous experience of assignments of a similar nature.

Commonly accepted approach/ methods for determining the value of the equity shares of a company/ business, include:

- Market Approach
 - a. Market Price method
 - b. Comparable Companies Market Multiple method
- Income Approach – Discounted Cash Flow method
- Asset Approach – Net Asset Value Method

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SATYENDRA CHAUHAN
Company Secretary

Niranjan Kumar

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For the Proposed Amalgamation, we have considered the following commonly used and accepted methods for determining the value of the equity shares of the Companies for the purpose of recommending the fair share exchange ratios, to the extent relevant and applicable:

Market Approach

Market approach is a valuation approach that uses prices and other relevant information generated by market transactions involving identical or comparable (i.e., similar) assets, liabilities or a group of assets and liabilities, such as a business.

Market Price Method

Under this method, the value of shares of a company is determined by taking the average of the market capitalization of the equity shares of such companies as quoted on a recognized stock exchange over reasonable periods of time where such quotations are arising from the shares being regularly and freely traded in an active market, subject to the element of speculative support that may be inbuilt in the market price.

In the present case, equity shares of EKL are widely held, regularly and frequently traded with reasonable volumes on NSE and BSE respectively. The market value of the shares arising from regular trading reflects the investors perception of about the true worth of the listed companies. Hence, we have adopted the market price method for valuation of EKL.

The equity shares of the EKI and KAI are not listed on any stock exchange and we have therefore not considered this method to arrive at the equity value of the EKI and KAI.

Since in the subject case equity shares of a listed company would be issued to the equity shareholders of an unlisted company, the minimum price at which shares are to be issued is prescribed under Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2018 issued vide notification No. SEBI/LAD-NRO/GN/2018/31 dated 11 September 2018 and as amended from time to time ("SEBI ICDR Regulations"), is as under:

"Regulation 164: *If the equity shares of the issuer have been listed on a recognised stock exchange for a period of 90 trading days or more as on the relevant date, the price of the equity shares to be allotted pursuant to the preferential issue shall be not less than higher of the following:*

- a. *the 90 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date; or*
- b. *the 10 trading days volume weighted average price of the related equity shares quoted on the recognised stock exchange preceding the relevant date.*

Pursuant to the SEBI Circular CFD/DIL3/CIR/2017/26 dated March 23, 2017, "the 'Relevant Date' for the purpose of computing pricing shall be the date of Board meeting in which the scheme is approved". Considering inter-alia the aforesaid, the prices up to day prior to the Relevant Date i.e. price up to 14 September 2022 are considered for computing the price of the equity shares of EKL.


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Company Secretary

Comparable Companies Multiple (CCM) Method

Under this method, the value of the shares / business of a company is estimated by applying the derived market multiple based on market quotations of comparable public / listed companies, in an active market, possessing attributes similar to the business of such company - to the relevant financial parameter of the company / business (based on past and / or projected working results) after making adjustments to the derived multiples on account of dissimilarities with the comparable companies and the strengths, weaknesses and other factors peculiar to the company being valued. These valuations are based on the principle that such market valuations, taking place between informed buyers and informed sellers, incorporate all factors relevant to valuation. Relevant multiples need to be chosen carefully and adjusted for differences between the circumstances.

Based on our analysis and discussion with the Management, we understand that there are comparable listed companies which operate in a similar line of business and having similar financial/ operating metrics as that of EKL, we have therefore used CCM Method to value the equity shares of EKL.

Further, considering inter-alia the commencement date of operations, capacity utilization, planned expansion in production of small tractors, historical business operating performance of EKL and basis discussion with the Management, the current performance of EKL is not considered to be representative of its expected future performance. Accordingly, CCM method has not been adopted for valuation of EKL.

KAL is engaged in the business of trading of agri-machines and exports of products, procured from domestic market. Basis discussion with the Management and our analysis, there are no listed companies that can be considered as a company comparable having regard to the size and business profile, we have therefore not used CCM Method to value the equity shares of KAL.

Comparable Transaction Multiple (CTM) Method

Under Comparable Transaction Method, the value of shares/ business of a company is determined based on market multiples of publicly disclosed transactions in the similar space as that of the subject company. Multiples are generally based on data from recent transactions in a comparable sector, but with appropriate adjustment after consideration has been given to the specific characteristics of the business being valued.

Based on our analysis and discussion with the Management, we understand that there are no recent comparable transactions, data of which is available in public domain, involving companies of similar nature and having a similar operating/ financial metrics as that of the Companies, we have therefore not used CTM method to value the equity shares of the Transacting Companies.

Income Approach - Discounted Cash Flow ('DCF')

Income approach is a valuation approach that converts maintainable or future amounts (e.g., cash flows or income and expenses) to a single current (i.e., discounted or capitalized) amount.

Under the DCF method the projected free cash flows to the firm are discounted at the weighted average cost of capital. This method is used to determine the present value of a business on a going concern assumption and recognizes the time value of money by discounting the free cash flows for the explicit forecast period and the perpetuity value at an appropriate discount factor. The terminal value

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Company Secretary

represents the total value of the available cash flow for all periods subsequent to the horizon period. The terminal value of the business at the end of the horizon period is estimated, discounted to its present value equivalent, and added to the present value of the available cash flow to estimate the value of the business.

Such DCF analysis involves determining the following:

- Estimating future free cash flows: Free cash flows are the cash flows expected to be generated by the company/ asset that are available to the providers of the company's capital - both debt and equity.
- Appropriate discount rate to be applied to cash flows i.e., the cost of capital: This discount rate, which is applied to the free cash flows, should reflect the opportunity cost to all the capital providers (namely shareholders and creditors), weighted by their relative contribution to the total capital of the company. The opportunity cost to the capital provider equals the rate of return the capital provider expects to earn on other investments of equivalent risk.

Under the DCF method the projected free cash flows to the firm for the horizon period are discounted at the weighted average cost of capital. Terminal value of the business at the end of the horizon period is estimated based on an appropriate perpetual growth rate considering inter-alia long-term inflation and other business-related factors. The sum of the discounted value of such free cash flows for the horizon period and terminal value is the enterprise value. Adjustments for debt and debt-like items, cash and cash equivalents, post balance sheet events and contingent liability (if any) adjusted for probability of devolvement is considered to determine the equity value.

EKL being a listed company, the information related to future financial projections of EKL are price sensitive in nature. Considering inter-alia, we were not provided with the financial projections of EKL by the Management. Hence, we have not used DCF method to determine the value of the equity shares of EKL.

The Management of EKI and KAI have provided the Management Projections for EKI and KAI respectively, which the Management believes to be their best estimates as to the future operating performance of the respective Amalgamating Companies. Considering the aforementioned, DCF method has been adopted for valuation exercise of EKI and KAI.

Asset Approach

The asset-based valuation technique is based on the value of the underlying net assets of the business, either on a book value basis or realizable value basis or replacement cost basis. This methodology is likely to be appropriate for business which derives value mainly from the underlying value of its assets rather than its earnings. This value analysis approach may also be used in case where the firm is to be liquidated or in case where the assets base dominates earning capability. It is also used where the main strength of the business is its asset backing rather than its capacity or potential to earn profits.

The relative valuation of the Companies is carried out on an 'going concern' premise. The historical net asset value of the business may not be representative of their earning potential. Further, self-generated key intangibles such as technology, customer relationship, brand/ trademark, distribution network may not be reflected in their historical net asset value. Accordingly, Asset Approach has not been adopted for the valuation of the Companies.

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

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SATYENDRA CHAUHAN
Company Secretary

RECOMMENDATION OF FAIR SHARE EXCHANGE RATIOS FOR THE PROPOSED AMALGAMATION

The basis of Proposed Amalgamation of EKI and KAI with EKL would have to be determined after taking into consideration all the factors and methodologies mentioned hereinabove. Though different values have been arrived at under each of the above methodologies, for the purposes of recommending fair share exchange ratios, it is necessary to arrive at a single value for the Companies. It is however important to note that in doing so we are not attempting to arrive at the absolute values but at their relative values to facilitate the determination of fair share exchange ratios. For this purpose, it is necessary to give appropriate weights to the values arrived at under each methodology.

The fair share exchange ratio has been arrived at on the basis of a relative (and not absolute) equity value of the Amalgamating Companies and Amalgamated Company for the proposed scheme of amalgamation based on the various approaches/ methods explained herein earlier and various qualitative factors relevant to each company and the business dynamics and growth potential of the businesses, having regard to information base, key underlying assumptions, and limitations. Suitable rounding off have been carried out wherever necessary to arrive at the recommended fair share exchange ratios.

Refer Annexure 1 for value per share of the Companies under different methods prescribed and the fair share exchange ratio for Proposed Amalgamation of EKI and KAI with EKL.

In light of the above and on a consideration of all the relevant factors and circumstances as discussed and outlined herein above including scope, limitations and assumptions described in this report and the engagement letter, we recommend the fair share exchange ratios for proposed amalgamation of EKI and KAI with EKL on a 'going concern' basis as at Valuation Date is as follows:

1) To the equity shareholders of EKI

5 (Five) equity shares of EKL having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in EKI having face value of INR 100 each fully paid up.

2) To the equity shareholders of KAI

5 (Five) equity shares of EKL having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in KAI having face value of INR 10 each fully paid up.



Respectfully submitted,

Niranjn Kumar
Registered Valuer- Securities or Financial Assets
IBBI Registration Number: IBBI/RV/06/2018/10137
ICAI RVO/06/RV-P000021/2018-19
UDIN: 22121635ASGYZL8589

Date: 15 September 2022
Place: Pune

Niranjn Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

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For ESCORTS KUBOTA LIMITED

SATYENDRA CHAUHAN
Company Secretary

Annexure 1 – Summary of fair share exchange ratio

Amalgamation of EKI (Amalgamating Company 1) and KAI (Amalgamating Company 2) with EKL (Amalgamated Company)

Approach/Method of Valuation	EKL			EKI			KAI		
	Value per share (INR)	Weights	Product	Value per share (INR)	Weights	Product	Value per share (INR)	Weights	Product
Market Approach									
- Market Price Method	2,023.3	100.0%	2,023.3	NA	0.0%	NA	NA	0.0%	NA
- Comparable Companies Method	1,499.2	0.0%	-	NA	0.0%	NA	NA	0.0%	NA
Income Approach - Discounted Cash Flow Method	NA	0.0%	NA	78.4	100.0%	78.4	46.0	100.0%	46.0
Asset Approach - Net Asset Value Method	NA	0.0%	NA	NA	0.0%	NA	NA	0.0%	NA
Relative value per equity share (INR)			2,023.3			78.4			46.0
Recommended Fair Share Exchange Ratio for EKI (Rounded off)			25.8						
Recommended Fair Share Exchange Ratio for KAI (Rounded off)			44.0						

NA: Not Adopted/Applicable

Notes:

1) Market Approach – Market Price Method

The equity shares of EKI and KAI are not listed on any stock exchange, hence we have not used this method to determine the fair value of equity shares of EKI and KAI.

Market Approach – CCM Method

Considering inter-alia comparable listed companies which operate in a similar line of business as that of EKL, we have considered CCM Method to arrive at the equity value of EKL. However, considering that unlisted company is proposed to be amalgamated with EKL, the price as per market price method pursuant to SEBI Guidelines is considered to be the minimum price and the value of EKL as per CCM method is not accorded any weightage.

Considering the commencement date of operations, capacity utilization, planned expansion in production of small tractors, historical business operating performance of EKI and basis discussion with the Management the current performance of EKI is not considered to be representative of its expected future performance. Accordingly, CCM method has not been adopted for valuation of EKI.

KAI is engaged in the business of trading of agri-machines and exports of products, procured from domestic market. Basis discussion with the Management and our analysis, there are no listed companies that can be considered similar as a company comparable having regard to the size and business profile, we have therefore not considered CCM Method for valuation of KAI.

2) Income Approach - Discounted Cash Flow Method

EKL being a listed company and since the information related to future financial projections of the company are price sensitive in nature, we were not provided with the financial projections of EKL by the Management. We have therefore not used DCF method to determine the value of the equity shares of EKL.

Niranjan Kumar

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Company Secretary

3) Asset Approach - NAV Method

The Companies, presently operate as a going concern and would continue to do so for the foreseeable future and NAV Method does not value the future profit generating ability of the business, we have therefore not used this method to value the equity shares of the Companies.

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary

Niranjan Kumar

Registered Valuer- Securities or Financial Assets

Recommendation of fair share exchange ratios for the
proposed amalgamation of EKI and KAI with EKL

Page 17 of 17

**FEDEX
SECURITIES
PVT LTD**
(Formerly Known as Fedex Securities Limited)
MERCHANT BANKING DIVISION



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Strictly Private & Confidential

SEBI Registration No.: INM000010163

To,
Independent Committee/ Audit Committee/ The Board of Directors,
Escorts Kubota Limited
15/5, Mathura Road,
Faridabad – 121 003, Haryana.

Sub: Fairness Opinion on the Fair Share Exchange Ratio for the proposed Scheme of Amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited.

Dear Sir / Madam:

With reference to our engagement letter wherein Escorts Kubota Limited has requested Fedex Securities Private Limited (Fedex) to provide fairness opinion on the Fair Share Exchange Ratio for the purpose of the proposed amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited and their respective Shareholders.

Engagement Background, Purpose and Use of this Report

We understand that the managements of Escorts Kubota Limited ("EKL" or "Amalgamated Company" or "the Company") and Escorts Kubota India Private Limited ("EKI" or "Amalgamating Company No. 1") and Kubota Agricultural Machinery India Private Limited ("KAI" or "Amalgamating Company No. 2") (EKL, EKI and KAI are hereinafter together referred to as the "Companies") are proposing amalgamation of the Amalgamating Company No. 1 and Amalgamating Company No. 2 with the Amalgamated Company with pursuant to a Scheme of Amalgamation of EKI and KAI with EKL and their respective Shareholders under Sections 230-232 of the

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary





Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 and rules made thereunder, as may be applicable ("Scheme").

Mr. Niranjana Kumar, Registered Valuer, Securities or Financial Assets having Registration No. IBB1/RV/06/2018/10137 ("Registered Valuer" or the "Valuer") is appointed by the Companies to prepare a report ("Valuation Report" / "Fair Share Swap Report") and recommend the Fair Share Exchange Ratio. As per the Valuation Report dated 15 September 2022, the Valuer has recommended the Fair Share Exchange Ratio as follows:

<i>To the equity shareholders of EKI with respect to amalgamation with EKL.</i>	<i>5 (Five) equity shares of EKL having a face value INR 10/- (Rupees Ten) each fully paid-up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in EKI having a face value of INR 100/- (Rupees Hundred) each fully paid-up as on the Record date. ('Share Exchange Ratio 1')</i>
<i>To the equity shareholders of KAI with respect to amalgamation with EKL.</i>	<i>5 (Five) equity shares of EKL having a face value INR 10/- (Rupees Ten) each fully paid-up shall be issued for every 220 (Two Hundred Twenty) equity shares held in KAI having a face value of INR 10/- (Rupees Ten) each fully paid-up as on the Record date. ('Share Exchange Ratio 2')</i>

In connection with the aforesaid, you requested our Fairness Opinion (the "Opinion") as of the date hereof, as to the fairness of the Fair Share Exchange Ratio to the Equity Shareholders of the Company. The scope of this Opinion includes commenting on the fairness of the Fair Share Exchange Ratio recommended by the Valuer and not on the fairness or the economic rationale of the Scheme per se or the historical financial statements relied upon for the same by the Valuer.

This Opinion is addressed to the Independent Committee/ Audit Committee/ Board of Directors of the Company. Further, this Opinion is subject to the scope, limitations, assumptions, exclusions and disclaimers detailed herein. This Opinion has been issued as per the requirements of Securities & Exchange Board of India ("SEBI") master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021 consolidating the SEBI circulars in relation to the Scheme of Arrangement by Listed Entities and amendment via SEBI Circular number SEBI/HO/CFD/DIL2/CIR/P/2022/11 dated February 01, 2022 (together referred to as "SEBI Circulars") read with applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") as amended from time to time. As such the Opinion is to be read in totality, not in parts and in conjunction with the relevant documents referred to herein. This Opinion has been issued only for the purpose of facilitating the Scheme in terms of the abovementioned SEBI Circulars and should not be used for any other purpose.

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary



Company Background

Escorts Kubota Limited

EKL is a Public Limited Company, incorporated under the provisions of the Companies Act, 1956, under CIN L74899HR1944PLC039088 and having its registered office at 15/5, Mathura Road, Faridabad – 121 003, Haryana. The equity shares of EKL are listed and traded on BSE Limited ('BSE') and the National Stock Exchange of India Limited ('NSE').

Escorts Kubota Limited is 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

EKI is a Private Limited Company incorporated under the provisions of the Companies Act, 2013, under CIN U34300HR2019FTC078790 and having its registered office at 18/4, Mathura Road, Faridabad – 121 007, Haryana. EKI 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 a Private Limited Company incorporated under the provisions of the Companies Act, 1956, under CIN U29210HR2008FTC093295 and having its registered office at 18/4, Mathura Road, Faridabad – 121 007, Haryana. 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.

Brief Background of the Proposed Scheme

The Scheme provides for amalgamation of EKI and KAI with EKL. Upon the effective date of the Scheme, pursuant to the amalgamation of EKI and KAI with EKL as contemplated in the Scheme:

1. EKL will issue 5 (Five) fully paid up equity shares of INR 10/- each to the equity shareholders (as on the Record Date) of EKI for every 129 (One Hundred Twenty-Nine) fully paid up equity shares of INR 100/- each held in EKI (except equity shares held by EKL which shall be cancelled pursuant to the Proposed Amalgamation).
2. EKL will issue 5 (Five) fully paid up equity shares of INR 10/- each to the equity shareholders (as on the Record Date) of KAI for every 220 (Two Hundred Twenty) fully paid up equity shares of INR 10/- each held in KAI (except equity shares held by EKL which shall be cancelled pursuant to the Proposed Amalgamation).

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary

Source of Information

In arriving at the Opinion set forth below, we have relied upon the accuracy and completeness of all information and documents provided to us by the Company and/or their other advisors, including:

1. Valuation Report dated 15 September 2022 issued by the Valuer (a draft was shared with us before issuance of the final Valuation Report);
2. Draft Scheme of Amalgamation of EKI and KAI with EKL and their respective shareholders ("Scheme");
3. The shareholding pattern of EKL, EKI and KAI as on Report Date;
4. Audited financial statements of EKL, EKI and KAI from financial year ended 31 March 2020 to 31 March 2022;
5. Unaudited limited reviewed financials of EKL for three months period ended June 30, 2022;
6. Financial projections of EKI and KAI from April 1, 2022 to March 31, 2030 provided by each company;
7. Market Data/Trading Data of EKL from BSE and NSE;
8. Necessary explanations, information and representations provided by the management of the respective Company and/or its advisors.

Distribution of this Fairness Opinion

The Fairness Opinion is addressed to the Independent Committee/ Audit Committee/ Board of Directors of the Company (in their capacity as such) solely for the purpose of providing them with an independent opinion on the fairness of the Fair Share Exchange Ratio as determined by the Valuer and for the purpose of submission to the Stock Exchanges, National Company Law Tribunal along with the petition for the Draft Scheme and such other regulatory authorities under Listing Regulations, SEBI Circular and/or Companies Act, 2013. The Fairness Opinion shall not be disclosed or referred to publicly or to any third party, other than as required by Indian law (in which case you would provide us a prior written intimation) without our prior written consent. The Fairness Opinion should be read in totality and not in parts. Further, this Fairness Opinion should not be used or quoted for any purpose. If this Fairness Opinion is used by any person other than to whom it is addressed or for any purpose other than the purpose stated hereinabove, then we will not be liable for any consequences thereof. Neither this Opinion nor its contents may be referred to quoted to/by any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties. The receipt of this Opinion by any person is not to be taken as constituting the giving of investment opinion by us to any such person, not to constitute such person our client.

In no circumstances however, will Fedex or its directors, officers, employees and controlling persons of Fedex accept any responsibility or liability including any pecuniary or financial liability to any third party, in any registration statement, prospectus, offering memorandum, annual report, loan agreement or any other agreement or documents given to third parties.

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary



Conclusion

Based on our examination of the Valuation Report, such other information / undertakings / representations provided to us by the Company and our independent analysis and evaluation of such information and subject to the scope limitations as mentioned herein Annexure-1 and to the best of our knowledge and belief, we are of the opinion that the Share Exchange Ratio 1 and Share Exchange Ratio 2 is fair for the shareholders of EKL.

Yours truly,

For Fedex Securities Private Limited

(Formerly known as Fedex Securites Limited)

Authorised Signatory

Date: September 15, 2022

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For ESCORTS KUBOTA LIMITED


SAPENDRA CHAUHAN
Company Secretary

Limitation of Scope and Review

Our Opinion and analysis are limited to the extent of review of documents as provided to us by the Company including the Valuation Report and the Draft Scheme. The Company has been provided with the opportunity to review the draft Opinion as part of our standard practice to make sure that factual inaccuracy / omissions are avoided in our final opinion.

We have assumed and relied upon, without independent verification, the accuracy and completeness of all financial and other information and data that was publicly available or provided to or otherwise made available to us or discussed with us by the Company, and upon the understanding that the management of EKL and its advisors are not aware of any relevant information relating to EKL that has been omitted or that remains undisclosed to us that would make the information or data examined by, provided to, reviewed by or discussed with us inaccurate or misleading in any respect or that would otherwise be relevant in arriving at our Opinion.

We express no opinion and accordingly accept no responsibility with respect to or for such information, or the assumptions on which it is based. We have not assumed any obligation to conduct, nor have conducted any physical inspection or title verification of the properties or facilities of the EKL and neither express any opinion with respect thereto nor accept any responsibility therefore. Our work does not constitute an audit, due diligence or certification of the historical financial statements including the working results of the Company or its businesses referred to in this Opinion. Accordingly, we are unable to and do not express an opinion on the accuracy of any financial information referred to in this report. We assume no responsibility whatsoever for any errors in the information furnished by the Company and/or their other advisors and their impact on the present exercise.

We have not made any independent valuation or appraisal of the assets or liabilities of the Company, nor have we been furnished with any such appraisals. We have not conducted or prepared a model for any asset valuation or provided an analysis of due diligence or appraisal of the assets and liabilities of the Company and have wholly relied on information provided by the Company in that regard.

We have not received any internal management information statement or any non-public reports, and instead, with your consent, have relied upon information that was publicly available or provided or otherwise made available to us by the Company for the purposes of this Fairness Opinion.

We are not experts in evaluation of litigation or other actual or threatened claims or any tax implication connected with the Draft Scheme and accordingly we have not evaluated any litigation or other actual or threatened claims. We have undertaken no independent analysis of any potential or actual litigation, regulatory action, possible unasserted claims, or other contingent liabilities to which the Company is or may be a party or are or may be

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary



a subject, or of any government investigation of any possible unasserted claims or other contingent liabilities to which the Company are or may be a party or are or may be a subject. No investigation as to the Company claim to title of assets has been made for the purpose of this exercise and the Company claim to such rights has been assumed to be valid. We have not evaluated the solvency or fair value of the Company under either the laws of India or other laws relating to bankruptcy, insolvency or similar matters.

Our Opinion should not be construed as certifying the compliance with the provisions of any law including company or taxation laws or any legal, regulatory including all SEBI regulations, accounting or taxation implications or issues. We understand that the Company would obtain such advice as deemed necessary from qualified professionals.

We express no opinion whatever and make no recommendation at all as to Company's underlying decision to affect the Draft Scheme or as to how the holders of equity shares or secured or unsecured creditors of the Company should vote at their respective meetings held in connection with the Proposed Scheme. We do not express and should not be deemed to have expressed any views on any other terms of the Draft Scheme. We also express no opinion and accordingly accept no responsibility for or as to the price at which the equity shares of the Company will trade following the announcement of the Draft Scheme or as to the financial performance of the Company following the consummation of the Draft Scheme. In rendering our Opinion, we have assumed, that the Scheme will be implemented on the terms described therein, without any waiver or modification of any material terms or conditions, and that in the course of obtaining the necessary regulatory or other consents or approvals for the Proposed Scheme, no restrictions will be imposed or there will be no delays that will have a material adverse effect on the benefits of the Proposed Scheme that may have been contemplated.

We have assumed that there are no other contingent liabilities or circumstances that could materially affect the business or financial prospects of the Company, other than those disclosed in the information provided or considered in the Draft Scheme.

We understand that the management of the Company and, during our discussion with them, would have drawn our attention to all such information and matters which may have an impact on our analysis and opinion.

Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and, on the information, made available to us as of the date hereof. It should be understand that although subsequent developments may affect this opinion, we do not have an obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we were not authorised to solicit, and did not solicit, interest from any party with respect to the acquisition, business combination or other extraordinary transaction involving the Company or any of its assets, nor did we negotiate with any other party in this regard.

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For ESCORTS KUBOTA LIMITED



SATYENDRA CHAITAN
Company Secretary

Our Opinion also does not address any matters other than expressly stated herein, including but not limited to matters such as corporate governance matters, shareholder rights or any other equitable considerations. We were not requested to, and we did not, participate in the negotiation of the terms of the Scheme, its feasibility or otherwise and we did not provide any advice or services in connection with the Scheme other than the delivery of this Opinion. We express no view or opinion as to any such matters. We also express no view as to, and our Opinion does not address, the fairness (financial or otherwise) of the amount or nature or any other aspect of any compensation to any officers, directors or employees to any parties of the Scheme, or any class of such persons, relative to the Fair Share Exchange Ratio. We express herein no view or opinion as to any terms or other aspects of the Scheme (other than the Fair Share Exchange Ratio to the extent expressly stated herein).

Fedex and/or our affiliates in the past may have provided, and may currently or in the future provide, investment banking, commercial banking and other financial services to the Companies and/or their affiliates unrelated to the Proposed Scheme. We may have received or in the future may receive compensation for the rendering of the aforementioned services. In the ordinary course of our businesses, we and our affiliates may invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in debt, equity or other securities or financial instruments (including derivatives or other obligations) of the Amalgamated Company and/or the Transferor Company and/or their respective affiliates, holding companies and group companies.

Fedex will receive a fee in connection with the delivery of this Fairness Opinion. The fee is not contingent upon the nature of the opinion provided to the Company. The fee for our service is not subject to the outcome of the Proposed Scheme. In addition, the Company has agreed to reimburse certain of our expenses and to indemnify us against liabilities arising out of our engagement. This Fairness Opinion is subject to the laws of India.

In no circumstances shall the liability of Fedex, its directors or employees related to the service provided in connection with this opinion, exceed the amount paid to Fedex as fees for this Fairness Opinion.

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For ESCORTS KUBOTA LIMITED


SATYENDRA CHAUHAN
Company Secretary





October 20, 2022

To,

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 051

BSE – 500495

Sub: Complaints Report for the period September 29, 2022, to October 19, 2022

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Merger of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited

Dear Sir/ Ma'am,

This is in reference to the Scheme of Amalgamation ('Scheme') amongst Escorts Kubota India Private Limited (Amalgamating Company No. 1) and Kubota Agricultural Machinery India Private Limited (Amalgamating Company No. 2) with Escorts Kubota Limited (Amalgamated Company) and their respective shareholders and creditors, filed by the Company with BSE Limited (BSE) and subsequent hosting of the Scheme along with other relevant documents by BSE on its website on September 28, 2022.

As per Para I(A)(6) of Annexure I to the SEBI Circular no. CFDIDIL3/CIR/2017/21 dated March 10, 2017, as amended, the Company is required to submit a "Report on Complaints" containing the details of complaints/ comments received by the Company on the Draft Scheme from various sources, within 7 days of the expiry of 21 days from the date of filing of the Scheme with the Exchanges and hosting of the same on the websites of Stock Exchanges and the listed entity.

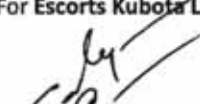
The period of 21 days from the hosting of said documents by the BSE on its website i.e. September 28, 2022, expired on October 19, 2022, accordingly, we attach herewith a "Report on Complaints", as "Annexure A" to this letter.

You are requested to take this on record and issue your NOC at the earliest.

Thanking you,

Yours Truly,

For Escorts Kubota Limited


Satyendra Chauhan
Company Secretary & Compliance Officer



Encl.: As above

Escorts Kubota Limited

(Formerly Escorts Limited)

Corporate Secretarial & Law

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

Format for Complaints Report:**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/ comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/ Pending)
Not Applicable			





November 24, 2022

To,

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra East, Mumbai-400041

NSE - ESCORTS

Sub: Complaints Report for the period November 3, 2022 to November 23, 2022

Ref: Application under Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 for the proposed scheme of Merger of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited

Dear Sir/ Ma'am,

This is in reference to the Scheme of Amalgamation ('Scheme') amongst Escorts Kubota India Private Limited (Amalgamating Company No. 1) and Kubota Agricultural Machinery India Private Limited (Amalgamating Company No. 2) with Escorts Kubota Limited (Amalgamated Company) and their respective shareholders and creditors, filed by the Company with National Stock Exchange of India Limited (NSE) and subsequent hosting of the Scheme along with other relevant documents by NSE on its website on November 2, 2022.

As per Para I(A)(6) of Annexure I to the SEBI Circular no. CFIDIL3/CIR/2017/21 dated March 10, 2017, as amended, the Company is required to submit a "Report on Complaints" containing the details of complaints/ comments received by the Company on the Draft Scheme from various sources, within 7 days of the expiry of 21 days from the date of filing of the Scheme with the Exchanges and hosting of the same on the websites of Stock Exchanges and the listed entity.

The period of 21 days from the hosting of said documents by the NSE on its website i.e. November 2, 2022, expired on November 23, 2022, accordingly, we attach herewith a "Report on Complaints", as "Annexure A" to this letter.

You are requested to take this on record and issue your NCC at the earliest.

Thanking you,

Yours Truly,

For Escorts Kubota Limited


Satyendra Chauhan

Company Secretary & Compliance Officer



Encl.: As above

Escorts Kubota Limited

(Formerly Escorts Limited)

Corporate Secretarial & Law

Registered Office - 15/5, Mathura Road, Faridabad-121003, Haryana, India

Tel.: +91-129-2250222 | E-mail: corpsi@escorts.co.in | Website: www.escortsgroup.com

Corporate Identification Number L74899HR1944PLC039088

Format for Complaints Report:**Part A**

Sr. No.	Particulars	Number
1.	Number of complaints received directly	Nil
2.	Number of complaints forwarded by Stock Exchanges/ SEBI	Nil
3.	Total Number of complaints/ comments received (1+2)	Nil
4.	Number of complaints resolved	Not Applicable
5.	Number of complaints pending	Not Applicable

Part B

Sr. No.	Name of Complainant	Date of Complaint	Status (Resolved/ Pending)
Not Applicable			





DCS/AMAL/TL/R37/2776/2023-24

May 30, 2023

The Company Secretary,
Escorts Kubota Ltd
15/5, Mathura Road, Faridabad, Haryana, 121003

Dear Sir,

Sub: Observation Letter regarding the Scheme of Amalgamation amongst Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited and their respective Shareholders and Creditors

We are in receipt of the Scheme of Amalgamation amongst Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited and their respective Shareholders and Creditors filed by Escorts Kubota Limited as required under SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017; SEBI vide its letter dated May 26, 2023, has inter alia given the following comment(s) on the Scheme of Amalgamation;

- a) "Company shall ensure that it discloses all details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and Shareholders, while seeking approval of the scheme."
- b) "Company shall ensure that additional information and undertakings, if any, submitted by the Company, after filing the scheme with the Stock Exchange, from the date of receipt of this letter, is displayed on the websites of the Listed Company and the Stock Exchanges."
- c) "Company shall ensure compliance with the SEBI Circulars issued from time to time."
- d) "The entities involved in the scheme shall duly comply with various provisions of the Circular."
- e) "Company is advised that the Information pertaining to all the Unlisted Companies involved in the Scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval."
- f) "Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old."
- g) "Company is advised to disclose the Profit and Loss Account and Balance Sheet of EKL, prior and post the scheme is effected and valuation report along with workings and rationale for arriving at the share entitlement ratio, as a part of the explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the Company to the shareholders while seeking approval u/s 230 to 232 of the Companies Act, 2013, so that public shareholders can make an informed decision in the matter"
- h) "Company is advised that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the Shareholders."
- i) "Company is advised that the proposed Equity Shares to be issued in terms of the 'Scheme' shall mandatorily be in demat form only."
- j) "Company shall ensure that the 'Scheme' shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document."



BSE Limited (Formerly Bombay Stock Exchange Ltd.)
Registered Office : Floor 25th, J. J. Road, Dalal Street, Mumbai 400 001 India.



- k) "Company to ensure that no changes to the draft Scheme except those mandated by the regulators/ authorities / tribunals shall be made without specific written consent of SEBI."
- l) "Company is advised that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before Hon'ble NCLT and the Company obliged to bring the observations to the notice of Hon'ble NCLT."
- m) "Company is advised to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed scheme."
- n) "It is to be noted that the petitions are filed by the Company before Hon'ble NCLT after processing and communication of comments/observations on draft Scheme by SEBI/Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/observations/representations."

Accordingly, based on aforesaid comment offered by SEBI, the company is hereby advised:

- i. To provide additional information, if any, (as stated above) along with various documents to the Exchange for further dissemination on Exchange website.
- ii. To ensure that additional information, if any, (as stated aforesaid) along with various documents are disseminated on their (company) website.
- iii. To duly comply with various provisions of the circulars.

In light of the above, we hereby advise that we have no adverse observations with limited reference to those matters having a bearing on listing/de-listing/continuous listing requirements within the provisions of Listing Agreement, so as to enable the company to file the scheme with Hon'ble NCLT.

Further, where applicable in the explanatory statement of the notice to be sent by the company to the shareholders, while seeking approval of the scheme, it shall disclose information about unlisted company involved in the format prescribed for abridged prospectus as specified in the circular dated March 10, 2017.

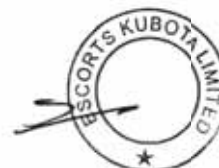
Kindly note that as required under Regulation 37(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the validity of this Observation Letter shall be six months from the date of this Letter, within which the scheme shall be submitted to the NCLT.

The Exchange reserves its right to withdraw its 'No adverse observation' at any stage if the information submitted to the Exchange is found to be incomplete / incorrect / misleading / false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Agreement, Guidelines/Regulations issued by statutory authorities.

Please note that the aforesaid observations does not preclude the Company from complying with any other requirements.

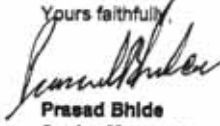
Further, it may be noted that with reference to Section 230 (5) of the Companies Act, 2013 (Act), read with Rule 8 of Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (Company Rules) and Section 66 of the Act read with Rule 3 of the Company Rules wherein pursuant to an Order passed by the Hon'ble National Company Law Tribunal, a Notice of the proposed scheme of compromise or arrangement filed under sections 230-232 or Section 66 of the Companies Act 2013 as the case may be is required to be served upon the Exchange seeking representations or objections if any.

In this regard, with a view to have a better transparency in processing the aforesaid notices served upon the Exchange, the Exchange has already introduced an online system of serving such Notice along with the relevant documents of the proposed schemes through the BSE Listing Centre.



Any service of notice under Section 230 (5) or Section 68 of the Companies Act 2013 seeking Exchange's representations or objections if any, would be accepted and processed through the Listing Centre only and no physical filings would be accepted. You may please refer to circular dated February 28, 2019 issued to the company.

Yours faithfully,


Prasad Bhide
Senior Manager


Tanmayi Lele
Assistant Manager





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National Stock Exchange Of India Limited

Ref: NSE/LIST/32727

May 29, 2023

The Company Secretary
Escorts Kubota Limited
15/5, Mathura Road,
Faridabad-121 003

Kind Attn.: Mr. Satyendra Chauhan

Dear Sir,

Sub: Observation Letter for draft scheme of amalgamation amongst Escorts Kubota India Private Limited ("Amalgamating Company No.1"), Kubota Agricultural Machinery India Private Limited ("Amalgamating Company No.2") into and with Escorts Kubota Limited ("Amalgamated Company") and their respective shareholders and creditors.

We are in receipt of draft scheme of amalgamation amongst Escorts Kubota India Private Limited ("Amalgamating Company No.1"), Kubota Agricultural Machinery India Private Limited ("Amalgamating Company No.2") into and with Escorts Kubota Limited ("Amalgamated Company") and their respective shareholders and creditors under sections 230 to 232 and other applicable sections of the Companies Act, 2013 vide application dated September 27, 2022.

Based on our letter reference no. NSE/LIST/32727 dated February 06, 2023, submitted to SEBI pursuant to SEBI Circular No. CFD/DIL3/CIR/2017/21 Dated March 10, 2017, read with Master circular no. SEBI/HO/CFD/DIL1/CIR/P/2021/665 dated November 23, 2021, and Regulation 94 (2) of SEBI (LODR) Regulations 2015, SEBI vide its letter dated May 26, 2023, has inter alia given the following comment(s) on the draft scheme of arrangement:

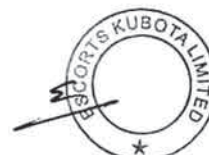
- Company shall ensure to disclose all the details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken, if any, against the Company, its promoters and directors, before Hon'ble NCLT and shareholders, while seeking approval of the Scheme.*
- Company shall ensure that additional information, if any, submitted by the Company after filing the Scheme with the stock exchange, from the date of receipt of this letter, is displayed on the websites of the listed Company and the stock exchanges.*
- The entities involved in the scheme shall duly comply with various provisions of the Circular.*
- Company shall ensure that information pertaining to all the Unlisted Companies involved in the scheme shall be included in the format specified for abridged prospectus as provided in Part E of Schedule VI of the SEBI ICDR Regulations, 2018, in the explanatory statement or notice or proposal accompanying resolution to be passed, which is sent to the shareholders for seeking approval.*
- Company shall ensure that the financials in the scheme including financials considered for valuation report are not for period more than 6 months old.*

This Document is Digitally Signed



Signer: DIPTI VIPUL CHINCHKEDE
Date: Mon, May 29, 2023 15:17:46 IST
Location: NSE

National Stock Exchange of India Limited | Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051,
India +91 22 26598100 | www.nseindia.com | CIN U67120MH11992PLC069769



- f. Company shall ensure to disclose the Profit and Loss account and Balance Sheet of EKL, prior and post the scheme is effected and valuation report along with workings and rationale for arriving at the share entitlement ratio, as a part of explanatory statement or notice or proposal accompanying resolution to be passed to be forwarded by the company to the shareholders while seeking approval w/s 230 to 232 of the Companies Act 2013, so that public shareholders can make an informed decision in the matter.
- g. Company shall ensure that the details of the proposed Scheme under consideration as provided by the Company to the Stock Exchange shall be prominently disclosed in the notice sent to the shareholders.
- h. Company shall ensure that the proposed equity shares to be issued in terms of the "Scheme" shall mandatorily be in demat form only.
- i. Company shall ensure that the "Scheme" shall be acted upon subject to the applicant complying with the relevant clauses mentioned in the scheme document.
- j. Company shall ensure that no changes to the draft scheme except those mandated by the regulators/authorities/ tribunals shall be made without specific written consent of SEBI.
- k. Company shall ensure that the observations of SEBI/Stock Exchanges shall be incorporated in the petition to be filed before NCLT and the Company is obliged to bring the observations to the notice of NCLT.
- l. Company to comply with all the applicable provisions of the Companies Act, 2013, rules and regulations issued thereunder including obtaining the consent from the creditors for the proposed Scheme.
- m. It is to be noted that the petitions are filed by the Company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ Stock Exchange. Hence, the Company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to SEBI again for its comments/ observations/ representations.

It is to be noted that the petitions are filed by the company before NCLT after processing and communication of comments/observations on draft scheme by SEBI/ stock exchange. Hence, the company is not required to send notice for representation as mandated under section 230(5) of Companies Act, 2013 to National Stock Exchange of India Limited again for its comments/observations/representations.

Based on the draft scheme and other documents submitted by the Company, including undertaking given in terms of Regulation 11 of SEBI (LODR) Regulations, 2015, we hereby convey our "No objection" in terms of Regulation 94 of SEBI (LODR) Regulations, 2015, so as to enable the Company to file the draft scheme with NCLT.

Please note that the submission of documents/information in accordance with the Circular to SEBI should not in any way be deemed or construed that the same has been cleared or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any scheme or for the correctness of the statements made or opinions expressed in the documents submitted.

This Document is Digitally Signed



Signer: DIPTI VIPUL CHINCHWADE
Date: Mon, May 29, 2023 15:17:46 IST
Location: NSE



However, the Exchange reserves its rights to raise objections at any stage if the information submitted to the Exchange is found to be incomplete/ incorrect/ misleading/ false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, Listing Regulations, Guidelines/ Regulations issued by statutory authorities.

The validity of this "Observation Letter" shall be six months from May 29, 2023, within which the Scheme shall be submitted to NCLT.

Kindly note, this Exchange letter should not be construed as approval under any other Act /Regulation/rule/bye laws (except as referred above) for which the Company may be required to obtain approval from other department(s) of the Exchange. The Company is requested to separately take up matter with the concerned departments for approval, if any.

The Company shall ensure filing of compliance status report stating the compliance with each point of Observation Letter on draft scheme of arrangement on the following path: NEAPS > Issue > Scheme of arrangement > Reg 37(1) of SEBI LODR, 2015> Seeking Observation letter to Compliance Status.

Yours faithfully,
For National Stock Exchange of India Limited

Dipti Chinchkhede
Manager

P.S. Checklist for all the Further Issues is available on website of the exchange at the following URL:
<https://www.nseindia.com/companies-listing/raising-capital-further-issues-main-sme-checklist>

This Document is Digitally Signed



Signer: DIPTI VIKAL CHINCHKHED
Date: Mon, May 29, 2023 15:17:46 IST
Location: NSE





Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN: U34300HR2019FTC078790

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ESCORTS KUBOTA INDIA PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 ("REPORT"), AT ITS MEETING HELD ON SEPTEMBER 15, 2022 AT 11:00A.M. THROUGH VIDEO CONFERENCING, EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS AND CREDITORS, AMONGST OTHERS

1. The composite scheme of amalgamation amongst Escorts Kubota Limited (the "Amalgamated Company"), Escorts Kubota India Private Limited (the "Amalgamating Company No. 1") and Kubota Agricultural Machinery India Private Limited (the "Amalgamating Company No. 2") (Amalgamating Company No. 1 and Amalgamating Company No. 2 are together referred to as the "Amalgamating Companies") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and the rules and regulations made thereunder, read with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961 ("Scheme") provides for amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into and with the Amalgamated Company (Amalgamating Companies and the Amalgamated Company are collectively referred to as the "Companies") in accordance with the terms of the Scheme, read with Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, on scheme of arrangements by listed entities ("SEBI Circular"), as amended from time to time, issued by the Securities Exchange and Board of India ("SEBI").
2. The board of directors of the Amalgamating Company No. 1 ("Board") at its meeting held on September 15, 2022 has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
3. The effectiveness of the Scheme is conditional upon and subject to:
 - (a) Receipt by the Amalgamated Company of an 'Observation Letter' or a 'No-objection Letter' from the National Stock Exchange of India Limited and the BSE Limited on the draft Scheme, as required under applicable laws, are, in form and substance, acceptable to the Amalgamating Companies and the Amalgamated Company, each acting reasonably and in good faith;
 - (b) the Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Companies, as may be required under applicable laws, or as may be directed by the National Company Law Tribunal, Chandigarh Bench ("NCLT");
 - (c) the draft Scheme being approved by the respective board of directors of the Companies;
 - (d) the Scheme being approved by the shareholders of the Amalgamated Company, provided that the votes cast by public shareholders of Amalgamated Company in



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Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

favour of the Scheme are more than the number of votes cast by public shareholders against it, through e-voting in terms of Paras (A)(10)(a) and (A)(10)(b) of Part I of the SEBI Master Circular bearing number SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021;

- (e) the sanction of the draft Scheme by the NCLT under the relevant provisions of the Act;
 - (f) compliance with such conditions as may be imposed by the NCLT;
 - (g) receipt of the approval of Competition Commission of India ("CCI") in respect of the Scheme, if applicable, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Companies, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme, together with any extensions thereof, shall have expired;
 - (h) receipt of such other approvals, including, approvals of any governmental authority as may be necessary under applicable laws or under any material contract to make the Scheme or the relevant part of the Scheme effective or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted; and
 - (i) the certified copies of the order of NCLT sanctioning the Scheme (wholly or partially) being filed with the Registrar of Companies by each of the Companies.
4. As per Section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
- (a) The draft copy of the Scheme, duly initialled by Company Secretary of the Amalgamating Company No. 1 for the purpose of identification;
 - (b) Valuation report dated September 15, 2022 issued by Mr. Niranjana Kumar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2018/10137) for the determination of share entitlement ratios under the draft Scheme ("**Valuation Report**");
 - (c) Fairness opinion dated September 15, 2022 from Fedex Securities Private Limited, a SEBI registered Category-I Merchant Banker (Registration Number – INM000010163) confirming that the share exchange ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors ("**Fairness Opinion**");



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Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN: U34300HR2019FTC078790

- (d) The certificate dated September 15, 2022, from Deloitte Haskins & Sells LLP, Chartered Accountant, the statutory auditor of the Amalgamating Company No. 1, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards and principles prescribed by the Central Government under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles.

6. The Need & Rationale for the Scheme:

- (a) The Amalgamating Company No. 1 proposes to enter into the Scheme with Amalgamating Company No. 2 and Amalgamated Company, such that the Amalgamated Company will be the exclusive vehicle for the agri-machinery business in India. The 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.
- (b) The managements of the respective Companies are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:
- (i). Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies;
 - (ii). Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.
 - (iii). 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, optimized management structure;
 - (iv). Consolidation of businesses under the amalgamation, which would result in the pooling of financial, managerial, technical and human resources, thereby creating stronger base for future growth and value accretion for the stakeholders; and
 - (v). Consolidation of production capabilities, integration and efficiency of operations, economies of scale, to create a larger scale of business and operations to cater to demand of the agri-machinery industry. Consolidation of the complementing strengths will enable the Amalgamated Company to be the exclusive vehicle for the agri-machinery business in India.



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CIN: U34300HR2019FTC078790

7. Share Entitlement Ratio Report:

The share exchange ratio as per the Valuation Report are as under (collectively, the “Share Exchange Ratios”):

- (a) The 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. 1 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 1 into and with Amalgamated Company:

“5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in Amalgamating Company No. 1 having face value of INR 100 each fully paid up.”

- (b) The 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. 2 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 2 into and with Amalgamated Company:

“5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in Amalgamating Company No. 2 having face value of INR 10 each fully paid up.”

No special valuation difficulties were reported.

8. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Amalgamating Company No. 1:

The Board reviewed the documents placed in the meeting held on September 15, 2022, and is of the informed opinion that the proposed Scheme is in the best interests of the Amalgamating Company No. 1 and its shareholders and creditors. The impact of the Scheme on its shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

9. Effect of the Scheme on the KMPs of the Amalgamating Company No. 1:

There is no impact of the Scheme on the KMPs of the Amalgamating Company No. 1. Further, none of the KMPs have any interest in the Scheme except to the extent of shares held by them, if any, in the Amalgamated Company.



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K.A



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN: U34300HR2019FTC078790

10. Effect of the Scheme on the Creditors of the Amalgamating Company No. 1:

There is no impact of the draft Scheme on the creditors of the Amalgamating Company No. 1. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

11. Adoption of the Report by the Board:

The Board of the Amalgamating Company No. 1 has adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and Behalf of the Board

For Escorts Kubota India Private Limited

For ESCORTS KUBOTA INDIA PVT. LTD.

浅野克典 Director

Katsunori Asano

CEO & Director

DIN: 09559131

Address: 18/4, Mathura Road, Faridabad – 121007

Place: Faridabad, Haryana

Date: September 15, 2022



Information@escorts.kubota.com



Kubota Agricultural Machinery India Pvt. Ltd.

Block No. 94, Tower - I, 8th Floor,
TVH Belicia Towers, MRC Nagar,
Chennai - 600028. T.N., India
Tel : +91-44-6104 1500
Fax : +91-44-6104 1600
Website: www.kubota.co.in

REPORT ADOPTED BY THE BOARD OF DIRECTORS OF KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013 ("REPORT"), AT ITS MEETING HELD ON SEPTEMBER 15, 2022 AT 10:00 AM THROUGH VIDEO CONFERENCE AT TVH BELICIAA TOWERS, 8TH FLOOR, TOWER-I, BLOCK NO. 94, MRC NAGAR, CHENNAI-600028, EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS AND CREDITORS, AMONGST OTHERS

1. The composite scheme of amalgamation amongst Escorts Kubota Limited (the "Amalgamated Company"), Escorts Kubota India Private Limited (the "Amalgamating Company No. 1") and Kubota Agricultural Machinery India Private Limited (the "Amalgamating Company No. 2") (Amalgamating Company No.1 and Amalgamating Company No.2 are together referred to as the "Amalgamating Companies") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act") and the rules and regulations made thereunder, read with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961 ("Scheme") provides for amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into and with the Amalgamated Company (Amalgamating Companies and the Amalgamated Company are collectively referred to as "Companies") in accordance with the terms of the Scheme, read with Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, on scheme of arrangements by listed entities ("SEBI Circular"), as amended from time to time, issued by the Securities Exchange and Board of India ("SEBI").
2. The board of directors of the Amalgamating Company No. 2 ("Board") at its meeting held on September 15, 2022 has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
3. The effectiveness of the Scheme is conditional upon and subject to:
 - (a) receipt by the Amalgamated Company of an 'Observation Letter' or a 'No-objection Letter' from the National Stock Exchange of India Limited and the BSE Limited on the draft Scheme, as required under applicable laws, are, in form and substance, acceptable to the Amalgamating Companies and the Amalgamated Company, each acting reasonably and in good faith;
 - (b) the Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Companies, as may be required under applicable laws, or as may be directed by the National Company Law Tribunal, Chandigarh Bench ("NCLT");
 - (c) the draft scheme being approved by the respective board of directors of the Companies;
 - (d) the Scheme being approved by the shareholders of the Amalgamated Company, provided that the votes cast by public shareholders of Amalgamated Company in favour of the Scheme are more than the number of votes cast by public shareholders against it, through e-voting in terms of Paras (A)(10)(a) and (A)(10)(b) of Part I of the SEBI master circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021;



Registered Office : 18/4, Mathura Road, Faridabad, Haryana - 121007, India.
Email : kai_g.info@kubota.com CIN-U29210HR2008FTC093295



Kubota Agricultural Machinery India Pvt. Ltd.

- (e) the sanction of the draft Scheme by the NCLT under the relevant provisions of the Act;
 - (f) compliance with such conditions as may be imposed by the NCLT;
 - (g) receipt of the approval of Competition Commission of India ("CCI") in respect of the Scheme, if applicable, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Companies, which shall be in form and substance acceptable to the, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme, together with any extensions thereof, shall have expired;
 - (h) receipt of such other approvals, including, approvals of any governmental authority as may be necessary under applicable laws or under any material contract to make the Scheme or the relevant part of the Scheme effective or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted; and
 - (i) the certified copies of the order of NCLT sanctioning the Scheme (wholly or partially) being filed with the Registrar of Companies by each of the Companies.
4. As per Section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
- (a) the draft copy of the Scheme, duly initialled by Company Secretary of the Amalgamating Company No. 2 for the purpose of identification;
 - (b) valuation report dated September 15, 2022 issued by Mr. Niranjana Kumar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2018/10137) for the determination of share entitlement ratios under the draft Scheme ("**Valuation Report**");
 - (c) fairness opinion dated September 15, 2022 from Fedex Securities Private Limited, a SEBI registered Category-I Merchant Banker (Registration Number – INM000010163) confirming that the share exchange ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors ("**Fairness Opinion**"); and
 - (d) the certificate dated September 15, 2022, from B S R & Co. LLP, Chartered Accountant, the statutory auditor of the Amalgamating Company No. 2, certifying that the accounting treatment proposed in the Scheme is in compliance with the accounting standards prescribed by the Central Government under the Section 133 of Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles.

6. The Need & Rationale for the Scheme:

- (a) The Amalgamating Company No. 2 proposes to enter into the Scheme with Amalgamating Company No. 1 and Amalgamated Company, such that the Amalgamated Company will





Kubota Agricultural Machinery India Pvt. Ltd.

be the exclusive vehicle for the agri-machinery business in India. The 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.

- (b) The managements of the respective Companies are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:
- a) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies;
 - b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities. 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, optimized management structure;
 - c) Consolidation of businesses under the amalgamation, which would result in the pooling of financial, managerial, technical and human resources, thereby creating stronger base for future growth and value accretion for the stakeholders; and
 - d) Consolidation of production capabilities, integration and efficiency of operations, economies of scale, to create a larger scale of business and operations to cater to demand of the 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.

7. Share Entitlement Ratio Report:

The share exchange ratios as per the Valuation Report are as under (collectively, the "Share Exchange Ratios"):

- (a) The 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. 1 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 1 into and with the Amalgamated Company:

"5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in Amalgamating Company No. 1 having face value of INR 100 each fully paid up."

- (b) The 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. 2 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 2 into and with Amalgamated Company:





Kubota Agricultural Machinery India Pvt. Ltd.

"5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in Amalgamating Company No. 2 having face value of INR 10 each fully paid up."

No special valuation difficulties were reported.

8. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Amalgamating Company No. 2:

The Board reviewed the documents placed in the meeting held on September 15, 2022, and is of the informed opinion that the proposed Scheme is in the best interests of the Amalgamating Company No. 2 and its shareholders and creditors. The impact of the Scheme on its shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner.

9. Effect of the Scheme on the KMPs of the Amalgamating Company No. 2:

There is no impact of the Scheme on the KMPs of the Amalgamating Company No. 2. Further, none of the KMPs have any interest in the Scheme except to the extent of shares held by them, if any, in the Amalgamated Company.

10. Effect of the Scheme on the Creditors of the Amalgamating Company No. 2:

There is no impact of the draft Scheme on the creditors of the Amalgamating Company No. 2. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

11. Adoption of the Report by the Board:

The Board of the Amalgamating Company No. 2 has adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and on Behalf of the Board

For **Kubota Agricultural Machinery India Private Limited**

Hisakazu Kitanobo

Managing Director

DIN: 09256141

Address: TVH Belicia Towers, 8th Floor, Tower-I,
Block No. 94, MRC Nagar, Chennai- 600028

Place: Chennai

Date: September 15, 2022





REPORT ADOPTED BY THE BOARD OF DIRECTORS OF ESCORTS KUBOTA LIMITED ("BOARD") IN ACCORDANCE WITH SECTION 232(2)(c) OF THE COMPANIES ACT, 2013, AT ITS MEETING HELD ON SEPTEMBER 15, 2022 THROUGH VIDEO CONFERENCING AT 2:00 PM AT THE REGISTERED OFFICE OF ESCORTS KUBOTA LIMITED SITUATED AT 15/5, MATHURA ROAD, FARIDABAD, HARYANA – 121 003, EXPLAINING THE EFFECT OF THE SCHEME OF AMALGAMATION ON EQUITY SHAREHOLDERS AND CREDITORS, AMONGST OTHERS

1. The composite scheme of amalgamation amongst Escorts Kubota Limited ("**Company**"), Escorts Kubota India Private Limited ("**Amalgamating Company No. 1**") and Kubota Agricultural Machinery India Private Limited ("**Amalgamating Company No. 2**") (Amalgamating Company No.1 and Amalgamating Company No.2 are together referred to as the "**Amalgamating Companies**") and their respective shareholders and creditors, pursuant to the provisions of Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("**Act**") and the rules and regulations made thereunder, read with Section 2(1B) and other applicable provisions of the Income Tax Act, 1961, ("**Scheme**") provides for amalgamation of Amalgamating Company No. 1 and Amalgamating Company No. 2 into and with the Company (Amalgamating Companies and the Company are collectively referred to as "**Companies**"); in accordance with the terms of the Scheme, read with Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017 and Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, on scheme of arrangements by listed entities ("**SEBI Circular**"), as amended from time to time, issued by the Securities Exchange and Board of India ("**SEBI**").
2. The Board at its meeting held on September 15, 2022, has approved the draft Scheme, after considering the documents which were duly placed before the Board as referred hereinafter.
3. The effectiveness of the Scheme is conditional upon and subject to:
 - (a) receipt of an 'Observation Letter' or a 'No-objection Letter' from the National Stock Exchange of India Limited and the BSE Limited on the draft Scheme, as required under applicable laws, which shall be in a form and substance, acceptable to the Amalgamating Companies and the Company, each acting reasonably and in good faith;
 - (b) the Scheme being approved by the requisite majorities of such classes of shareholders and creditors of the Companies, as may be required under applicable laws, or as may be directed by the National Company Law Tribunal, Chandigarh Bench ("**NCLT**");



Escorts Kubota Limited

(Formerly Escorts Limited)

Corporate Secretarial & Law

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

- (c) the draft Scheme being approved by the respective board of directors of the Companies;
 - (d) the Scheme being approved by the shareholders of the Company, provided that the votes cast by public shareholders of the Company in favour of the Scheme are more than the number of votes cast by public shareholders against it, through e-voting in terms of Paras (A)(10)(a) and (A)(10)(b) of Part I of the SEBI master circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021;
 - (e) the sanction of the draft Scheme by the NCLT under the relevant provisions of the Act;
 - (f) compliance with such conditions as may be imposed by the NCLT;
 - (g) receipt of the approval from the Competition Commission of India ("CCI") in respect of the Scheme, if applicable, in accordance with the provisions of the Competition Act, 2002, pursuant to a joint application filed by the Companies, which shall be in form and substance acceptable to the Companies, each acting reasonably and in good faith, or the waiting period during which the CCI is required to provide its decision in respect of the application for approval in respect of the Scheme, together with any extensions thereof, shall have expired;
 - (h) the receipt of such other approvals, including, approvals of any governmental authority as may be necessary under applicable laws or under any material contract to make the Scheme or the relevant Part of the draft Scheme effective or on the expiry of any statutory time period pursuant to which such approval is deemed to have been granted; and
 - (i) the certified copies of the order of the NCLT sanctioning the Scheme (wholly or partially) being filed with the Registrar of Companies by each of the Companies.
4. As per Section 232(2)(c) of the Act, a report is required to be adopted by the board of directors of the Companies, explaining the effect of the Scheme on each class of shareholders, promoter and non-promoter shareholders and Key Managerial Personnel ("KMP") laying out in particular the share exchange ratios, specifying any special valuation difficulties.
5. The following documents were placed before the Board for its consideration:
- (a) the draft Scheme, duly initialled by Company Secretary of the Company for the purpose of identification;
 - (b) valuation report dated September 15, 2022, issued by Mr. Niranjana Kumar, Registered Valuer (IBBI Registration No. IBBI/RV/06/2018/10137) for the determination of the share entitlement ratios under the draft Scheme ("**Valuation Report**");



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- (c) fairness opinion dated September 15, 2022, from Fedex Securities Private Limited, a SEBI registered Category-I Merchant Banker (Registration Number – INM000010163), confirming that the share exchange ratios in the Valuation Report are fair to the Companies and their respective shareholders and creditors ("**Fairness Opinion**");
- (d) the report dated September 15, 2022, of the Audit Committee of the Board ("**Audit Committee**"), after taking into consideration, inter-alia, the Valuation Report, the Share Exchange Ratios, the Fairness Opinion and that the Scheme is not detrimental to the interest of the shareholders of the Company;
- (e) the report dated September 15, 2022, of the Committee of the Independent Directors of the Board, recommending the Scheme, after taking into consideration, inter-alia, the Valuation Report, the Share Exchange Ratios, the Fairness Opinion and that the Scheme is not detrimental to the interest of the shareholders of the Company; and
- (f) the certificate dated September 15, 2022, from Walker Chandiok & Co LLP, Chartered Accountant, the statutory auditor of the Company, pursuant to paragraph A.5 of Part I of the SEBI master circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, certifying that the accounting treatment proposed in the draft Scheme is in compliance with the accounting standards prescribed under Section 133 of the Act read with applicable rules and/ or the accounting standards issued by the Institute of Chartered Accountants of India and other generally accepted accounting standards and principles.

6. The Need & Rationale for the Scheme:

- (a) The Company proposes to enter into the Scheme with Amalgamating Company No. 1 and Amalgamating Company No. 2, such that the Company becomes the exclusive vehicle for the agri-machinery business in India. The 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.
- (b) The managements of the respective Companies are of the view that the amalgamation proposed under the Scheme is, in particular, expected to have the following benefits:
 - (i) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies;



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- (ii) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities;
- (iii) 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;
- (iv) 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; and
- (v) 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 the agri-machinery industry. Consolidation of the complementing strengths will enable the Company to be the exclusive vehicle for the agri-machinery business in India.

7. Share Entitlement Ratio Report:

The share exchange ratios as per the Valuation Report are as under (collectively, the "Share Exchange Ratios"):

- (a) The following share exchange ratio has been determined for the allotment of the equity shares of the Company having face value of Rs. 10/- each to the shareholders of Amalgamating Company No. 1 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of the Amalgamating Company No. 1 into and with the Company:

"5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in Amalgamating Company No. 1 having face value of INR 100 each fully paid up."

- (b) The following share exchange ratio has been determined for the allotment of the equity shares of the Company having face value of Rs. 10/- each to the shareholders of Amalgamating Company No. 2 as on Effective Date (as defined in the Scheme), in consideration for the amalgamation of Amalgamating Company No. 2 into and with Company:

"5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in Amalgamating Company No. 2 having face value of INR 10 each fully paid up."

No special valuation difficulties were reported.



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8. Effect of the Scheme on the equity shareholders (promoter and non-promoter) of the Company:

The Board reviewed the documents placed in the meeting held on September 15, 2022, and is of the informed opinion, upon the recommendations of the Audit Committee and the Committee of the Independent Directors that the draft Scheme is in the best interests of the Company and its shareholders and creditors. The impact of the draft Scheme on the shareholders including the promoter and public shareholders would be the same in all respects and no shareholder is expected to have any disproportionate advantage or disadvantage in any manner except that there will be proportionate dilution of all shareholders including the public shareholders due to issuance of shares to Kubota Corporation, as an existing shareholder of Amalgamating Company No. 1 and Amalgamating Company No. 2.

9. Effect of the Scheme on the KMPs of the Company:

There is no impact of the draft Scheme on the KMPs of the Company. Further, none of the KMPs have any interest in the draft Scheme except to the extent of shares held by them, if any, in the Company.

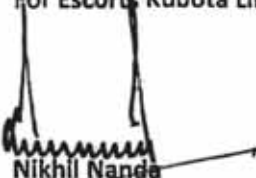
10. Effect of the Scheme on the Creditors of the Company:

There is no impact of the draft Scheme on the creditors of the Company. Further, none of the creditors have any interest in the draft Scheme except to the extent of shares held by them, if any, in any of the Companies.

11. Adoption of the Report by the Board:

The Board of the Company have adopted this Report after noting and considering the information set forth in this Report and documents placed before the Board.

For and Behalf of the Board
For Escorts Kubota Limited



Nikhil Nanda
Chairman and Managing Director
DIN: 00043432

Address: Nirvana, C-26, Asola Village,
Fatehpur Beri, Delhi- 110074

Place: Faridabad
Date: September 15, 2022




Escorts Kubota India Private Limited
 Unaudited Balance Sheet as at June 30, 2023
 (All amounts in Rupees in Lakhs, unless otherwise stated)


	Note No.	As at June 30, 2023	As at March 31, 2023
ASSETS			
Non-current assets			
(a) Property, plant and equipment	3(i)	22,393.96	19,355.83
(b) Right-of-use assets	3(ii)	1,165.88	1,398.49
(c) Capital work-in-progress	3 (iii)	1,002.36	2,766.13
(d) Intangible assets	4	703.76	737.23
(e) Financial assets			
- Other financial assets	5(i)	175.97	150.11
(f) Other non-current assets	7(i)	1,559.45	1,620.50
(g) Non-current tax assets	6	150.92	107.46
Total non-current assets (A)		27,152.30	26,135.75
Current assets			
(a) Inventories	8	11,304.75	8,495.97
(b) Financial assets			
(i) Trade receivables	9	13,464.98	14,217.08
(ii) Cash and cash equivalents	10	328.33	62.24
(iii) Other financial assets	5(ii)	220.27	264.09
(c) Other current assets	7(ii)	16,016.96	13,760.13
Total current assets (B)		41,335.29	36,799.51
Total assets (A+B)		68,487.59	62,935.26
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	11	30,000.00	30,000.00
(b) Other equity	12	(12,518.00)	(14,192.81)
Total equity (C)		17,482.00	15,807.19
LIABILITIES			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(i)	7,356.03	7,356.03
(ii) Lease Liabilities	31	303.71	633.66
(b) Provisions	13(i)	935.58	845.64
Total non-current liabilities (D)		8,595.32	8,835.33
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	16(ii)	13,875.59	14,450.81
(ii) Trade payables	14		
(a) Total outstanding dues of micro and small enterprises		637.62	805.90
(b) Total outstanding dues of creditors other than micro and small enterprises		22,021.10	16,723.62
(iii) Lease Liabilities	31	1,245.68	1,204.98
(iv) Other financial liabilities	15	267.44	644.14
(b) Other current liabilities	17	103.48	198.83
(c) Provisions	13(ii)	4,259.36	4,264.46
Total current liabilities (E)		42,410.27	38,292.74
Total liabilities (D+E=F)		51,005.59	47,128.07
Total equity and liabilities (C+F)		68,487.59	62,935.26

For and on behalf of the Board of Directors
 ESCORTS KUBOTA INDIA PRIVATE LIMITED
 (CIN: U34300HR2019FTC078790)


KATSUNORI ASANO
 Director & CEO
 (DIN: 09559131)


SANDKUMAR SITARAM RANE
 Director
 (DIN: 08901391)


KAMAL SACHDEVA
 CFO


PROSENJEET ROY
 Company Secretary
 M.No.: A35335

Place: Faridabad
 Date: September 07, 2023

Escorts Kubota India Private Limited
Special Purpose Unaudited Financial Information for the quarter ended June 30, 2023
(Amount in Rs. lacs except EPS figure)

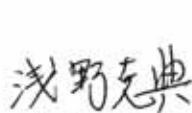
Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in previous year	For the year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
	Unaudited	Audited*	Unaudited	Audited
Income				
Revenue from operations	31,660.99	27,773.15	26,291.89	97,556.00
Other income	279.35	67.47	58.26	111.23
Total income (A)	31,940.34	27,840.62	26,350.15	97,667.23
Expenses				
Cost of materials consumed	26,382.53	20,410.68	23,869.43	79,333.25
Changes in inventories of finished goods, work-in-progress and stock-in-trade	(551.28)	2,857.16	(297.84)	2,832.43
Employee benefits expense	871.46	823.57	867.67	3,395.69
Finance costs	439.03	471.40	274.90	1,422.29
Depreciation & amortisation expense	1,040.83	1,037.92	1,013.42	4,187.03
Other expenses	2,086.82	1,839.68	1,812.58	7,477.57
Total expenses (B)	30,269.39	27,440.41	27,540.16	98,648.26
Profit/ (loss) before tax (A-B)	1,670.95	400.21	(1,190.01)	(981.03)
Tax expense				
Current tax	-	-	-	-
Deferred tax	-	-	-	-
Total tax expense	-	-	-	-
Net profit/ (loss) for the period/ year	1,670.95	400.21	(1,190.01)	(981.03)
Other comprehensive income				
Items that will not be reclassified to profit and loss				
Re-measurements of defined employee benefit plans	(3.86)	(3.84)	(3.40)	(14.05)
Total other comprehensive income	(3.86)	(3.84)	(3.40)	(14.05)
Total comprehensive (Loss)/Income	1,674.81	404.05	(1,186.61)	(966.98)
Paid up equity share capital, equity share of Rs. 100/- each	30,000.00	30,000.00	30,000.00	30,000.00
Earnings per share# of Rs. 100 each :				
(a) Basic (Rs.)	5.57	1.33	(3.97)	(3.27)
(b) Diluted (Rs.)	5.57	1.33	(3.97)	(3.27)

* The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year and published year to date figures upto the third quarter of the year ended March 31, 2023.

Earnings per share is not annualised for the quarter ended June 30, 2023, quarter ended March 31, 2023 and quarter ended June 30, 2022 respectively.

See accompanying notes to the special purpose unaudited financial information in Annexure-1.

For and on behalf of the Board of Directors of
Escorts Kubota India Private Limited



Katsunori Asano
Director & CEO
(DIN: 09559131)



Nandkumar Sitaram Rane
Director
(DIN: 08901391)



Kamal Sachdeva
Chief Financial Officer



Prosenjeet Roy
Company Secretary
M.No.: A35335

Place: Faridabad
Date : September 07, 2023

Notes to the Special Purpose Unaudited Financial Information for the quarter ended June 30, 2023

- 1 This special purpose unaudited financial information has been prepared in the format and as per the Instructions issued by the Management of Escorts Kubota Limited (Formerly known as Escorts Limited) (hereinafter refer to as "EKL") solely for the limited purpose of preparation of the consolidated financial information of EKL.

The above special purpose unaudited financial information of Escorts Kubota India Private Limited ("the Company") comprising special purpose unaudited financial information for the quarter ended June 30, 2023 have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") and other accounting principles generally accepted in India.

The accounting policies adopted in the preparation of the aforesaid special purpose unaudited financial information are consistent with those disclosed in the financial statements for the year ended March 31, 2023.

- 2 Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. In assessing the probability, the Company considers whether the entity has sufficient taxable temporary differences, which will result in taxable amounts against which the unused tax losses or unused tax credits can be utilised before they expire.

Considering the Company's brought forward tax losses and unabsorbed depreciation, deferred tax assets have not been recognised.

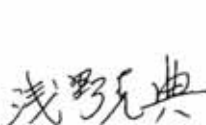
- 3 As at June 30, 2023, the Company has outstanding borrowings as stated below:

- i) short-term unsecured working capital demand loans from Sumitomo Mitsui Banking Corporation, Mizuho Bank and ICICI Bank amounting to Rs. 13,040 lacs bearing interest at the rate of 7.90% ~ 7.95% per annum with repayment due dates in July 2023.
- ii) short-term unsecured packing credit in foreign currency amounting to Rs. 836 lacs payable on demand from Mizuho Bank bearing interest at the rate of 6.55% per annum with repayment due dates in July 2023 and August 2023.
- iii) unsecured term loan amounting to Rs. 7,356 lacs from SMBC Bank bearing interest at the rate of 8.75% ~ 8.85% per annum with repayment due dates in April 2024.

- 4 The Board of the Directors of the Company on September 15, 2022 have approved a Scheme for Amalgamation ("Scheme"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and rules framed thereunder. The Scheme, inter alia, provides for amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited (Amalgamating Companies) into and with Escorts Kubota Limited (Amalgamated Company). The Scheme is subject to approvals of requisite majorities of the shareholders, creditors of the Companies and requisite regulatory authorities as maybe required, including the National Company Law Tribunal, Chandigarh Bench. Subsequent to the period-end, the Scheme has been filed with the National Company Law Tribunal on July 12, 2023. Pending approval of the scheme, no impact thereof has been considered in these financial information.

- 5 These are special purpose unaudited financial information and accordingly only required information has been disclosed.

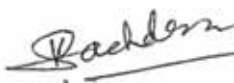
For and on behalf of the Board of Directors of
Escorts Kubota India Private Limited



Katsunori Asano
Director & CEO
(DIN: 09559131)



Nandkumar Sitaram Rane
Director
(DIN: 08901391)



Kamal Sachdeva
Chief Financial Officer



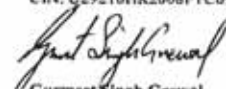
Prosenjeet Roy
Company Secretary
M.No.: A35335

Place: Faridabad
Date: September 07, 2023

Kubota Agricultural Machinery India Private Limited CIN U29210HR2008FTC093295 Regd. Office: 18/4, Mathura Road Faridabad, Haryana - 121007 Unaudited Financial Balance Sheet as at June 30, 2023		
	(Rs. Lakhs)	
Particulars	Unaudited As at June 30, 2023	Audited As at March 31, 2023
ASSETS		
Non-current assets		
Property, plant and equipment	893.90	943.51
Capital work-in-progress	1,051.71	1,010.48
Right-of-use assets	3,684.35	4,064.27
Intangible assets	354.53	414.25
Financial assets		
Other financial assets	645.01	613.18
Deferred tax assets	1,912.04	1,810.97
Tax assets (net)	987.94	1,086.55
Other non-current assets	47.50	56.10
Total non-current assets	9,576.98	9,999.31
Current assets		
Inventories	35,968.25	28,493.84
Financial assets		
Trade receivables	21,173.23	19,766.37
Cash and cash equivalents	8,224.43	25,783.21
Bank balances other than cash and cash equivalents	11.45	11.45
Other financial assets	1,338.04	1,202.48
Other current assets	5,348.20	3,707.06
Total current assets	72,063.60	78,964.41
Total assets	81,640.58	88,963.72
EQUITY AND LIABILITIES		
Equity		
Equity share capital	5,000.00	5,000.00
Other equity	15,346.76	15,702.09
Total equity	20,346.76	20,702.09
Liabilities		
Non-current liabilities		
Financial liabilities		
Lease liabilities	-	2,810.61
Provisions	2,560.60	1,207.15
Total non-current liabilities	2,560.60	4,017.76
Current liabilities		
Financial liabilities		
Borrowings	-	
Lease liabilities	3,927.53	1,477.19
Trade payables		
total outstanding dues of micro and small enterprises	-	50.78
total outstanding dues of trade payables other than micro and small enterprises	50,910.83	58,006.26
Other financial liabilities	1,941.24	2,009.11
Provisions	604.90	2,008.95
Other current liabilities	1,348.72	691.58
Total current liabilities	58,733.22	64,243.87
Total liabilities	61,293.82	68,261.63
Total equity and liabilities	81,640.58	88,963.72

Note : Balance sheet is Un-audited and not reviewed by Statutory Auditor , hence may undergo changes.

for and on behalf of the Board of Directors of
Kubota Agricultural Machinery India Private Limited
 CIN: U29210HR2008FTC093295


Gurmeet Singh Grewal
 Managing Director
 DIN: 08896797

Kubota Agricultural Machinery India Private Limited
CIN U29210HR2008FTC093295
Regd. Office: 18/4, Mathura Road Faridabad, Haryana - 121007
Statement of Unaudited Financial Results for the quarter ended June 30, 2023

(Rs. Lakhs)

Particulars	Unaudited			Audited
	Three months ended			Year ended
	June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
1. Income				
(a) Revenue from operations	46,037.76	47,611.11	50,114.68	205,453.97
(b) Other income	423.72	209.01	270.47	1,339.51
Total Income	46,461.48	47,820.12	50,385.15	206,793.48
2. Expenses				
(a) Purchase of stock-in-trade	49,861.40	48,691.90	38,296.25	169,868.12
(b) Changes in inventories of stock in trade	(7,503.45)	(6,287.42)	7,326.41	18,320.08
(c) Employee benefits expense	1,707.24	1,469.87	1,574.29	6,277.41
(d) Finance costs	186.15	6.32	195.28	555.33
(e) Depreciation and amortisation expense	535.89	734.28	459.57	2,158.05
(f) Other expenses	2,144.24	1,015.95	2,803.20	9,948.40
Total expenses	46,931.47	45,630.90	50,655.00	207,127.39
3. Profit / (Loss) before exceptional items (1-2)	(469.99)	2,189.22	(269.85)	(333.91)
4. Exceptional items	-	-	-	-
5. Profit / (Loss) before tax (3 ± 4)	(469.99)	2,189.22	(269.85)	(333.91)
6. Tax expense	(104.50)	(186.66)	129.31	(49.73)
7. Profit / (Loss) for the period (5-6)	(365.49)	2,375.88	(399.16)	(284.18)
8. Other comprehensive income	(10.16)	(74.69)	11.34	(40.66)
A. (i) Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit liability	(13.58)	(99.80)	15.16	(54.33)
(ii) Income tax relating to items that will not be reclassified to profit or loss	3.42	25.11	(3.82)	13.67
9. Total comprehensive income / (loss) for the period (7+8)	(355.33)	2,450.57	(410.50)	(243.52)
10. Details of equity share capital				
Paid-up equity share capital (Face Value of Rs.10 /- per share)	5,000.00	5,000.00	5,000.00	5,000.00
11. Other equity	15,346.76	15,702.09	15,535.11	15,702.09
12. Earnings per share (EPS) (of Rs.10/- each) (Amount in Rs.) (Not annualised)				
(a) Basic	(0.73)	4.75	(0.80)	(0.57)
(b) Diluted	(0.73)	4.75	(0.80)	(0.57)

Kubota Agricultural Machinery India Private Limited
Statement of Unaudited Financial Results for the quarter ended June 30, 2023

Notes:-

- The above unaudited financial results have been prepared in accordance with the policies and instructions contained in the Escorts Kubota Limited (Formerly Escorts Limited) - Review instructions for the limited review for the period ended June 30, 2023.
- The Company is principally engaged in a single business segment viz. sale of agricultural machinery and its related spares, which in the context of Indian Accounting Standard (Ind AS) 108 - Operating Segments, is considered as the only operating segment of the Company.
- This unaudited financial results have been prepared solely for use in connection with the preparation of consolidated financial statements of Escorts Kubota Limited (Formerly Escorts Limited) (the parent entity) under equity method in respect of the Company. Accordingly, this unaudited financial results will not be suitable for any other purpose.
- The figures for the quarter ended March 31, 2023 are the balancing figures between the audited figures for the year ended March 31, 2023, and figures for the nine months ended December 31, 2022. The figures for nine months ended December 31, 2022 are not subjected to review / audit.

for and on behalf of the Board of Directors
Kubota Agricultural Machinery India Private Limited
 CIN: U29210HR2008FTC093295

Gurmeet Singh Grewal

Gurmeet Singh Grewal
 Managing Director

DIN: 08896797

Place: Chennai

Date: July 26, 2023





Escorts Kubota Limited (Formerly Escorts Limited)

Statement of Standalone Unaudited Financial Results for the quarter ended June 30, 2023

Particulars	₹ in Crores			
	Standalone results			
	3 Months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
	30-06-2023	31-03-2023	30-06-2022	31-03-2023
	Unaudited	Audited*	Unaudited	Audited
Income				
Revenue from operations	2,327.74	2,182.95	2,014.85	8,344.85
Other income	94.51	76.28	35.44	280.56
Total income	2,422.25	2,259.23	2,050.29	8,625.51
Expenses				
Cost of materials consumed	1,433.64	1,453.48	1,429.06	5,721.89
Purchases of stock-in-trade	121.09	115.39	125.84	509.03
Changes in inventories of finished goods, work-in-progress and stock-in-trade	70.46	(7.41)	(100.29)	(163.98)
Employee benefits expense	148.41	156.53	136.90	594.97
Finance costs	2.66	2.75	2.59	10.26
Depreciation & amortisation expense	40.18	38.01	36.37	148.43
Other expenses	227.20	229.13	221.74	902.62
Total expenses	2,043.64	1,987.88	1,852.21	7,723.22
Profit before exceptional items and taxes	378.61	271.35	198.08	902.29
Exceptional items (refer note 3)	-	(24.40)	-	(97.16)
Profit before tax	378.61	246.95	198.08	805.13
Tax expense (refer note 6)				
Current tax	79.68	35.15	49.18	171.56
Deferred tax charge	16.12	26.33	1.45	26.59
Total tax expense	95.80	61.48	50.63	198.15
Net profit for the period	282.81	185.47	147.45	606.98
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	0.11	(0.17)	0.20	0.06
Re-measurements of defined employee benefit plans	0.62	(0.02)	2.44	2.43
Income tax relating to items that will not be reclassified to profit or loss	(0.17)	0.02	(0.64)	(0.62)
Total other comprehensive income	0.56	(0.17)	2.00	1.87
Total comprehensive income	283.37	185.30	149.45	608.85
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	23.18	14.27	11.38	46.74
b) Diluted (₹)	23.16	14.26	11.37	46.68
Paidup equity share capital, equity share of ₹ 10 each	110.50	131.94	131.94	131.94
Other equity				8,302.87

* Refer note 2





Escorts Kubota Limited (Formerly Escorts Limited)

Segment wise revenue, results and capital employed for the quarter ended June 30, 2023

₹ 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
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited*	Unaudited	Audited
1	Segment revenue:				
	a) Agri machinery products	1,666.83	1,557.50	1,595.76	6,316.11
	b) Construction equipments	360.10	384.84	246.14	1,178.98
	c) Railway equipments	297.74	237.21	173.35	841.86
	d) Unallocated	3.07	3.40	(0.40)	8.00
	Total	2,327.74	2,182.95	2,014.85	8,344.95
	Less: Inter segment revenue	-	-	-	-
	Net segment revenue	2,327.74	2,182.95	2,014.85	8,344.95
2	Segment results:				
	a) Agri machinery products	223.59	154.66	168.52	587.39
	b) Construction equipments	27.26	31.15	2.44	34.13
	c) Railway equipments	62.31	33.12	23.49	115.87
	Total	313.16	218.93	194.45	737.39
	Less:				
	- Finance costs	2.66	2.75	2.59	10.26
	- Exceptional items (refer note 3)	-	24.40	-	97.16
	- Other unallocable expenditure (Net of unallocable income)	(68.11)	(55.17)	(6.22)	(175.16)
	Total profit before tax	378.61	246.95	198.08	805.13
3	Segment assets				
	a) Agri machinery products	3,513.51	3,613.04	3,276.71	3,613.04
	b) Construction equipments	291.93	353.46	332.79	362.46
	c) Railway equipments	532.59	623.09	407.44	623.09
	d) Auto ancillary products (discontinued operation)	0.12	0.12	0.12	0.12
	e) Unallocated	6,084.27	5,718.42	5,942.92	5,718.42
	Total	10,422.42	10,308.13	9,959.98	10,308.13
4	Segment liabilities				
	a) Agri machinery products	1,214.29	1,261.60	1,363.70	1,261.60
	b) Construction equipments	269.73	292.16	207.58	292.16
	c) Railway equipments	112.30	79.11	122.14	79.11
	d) Auto ancillary products (discontinued operation)	5.13	5.13	5.15	5.13
	e) Unallocated	298.04	235.32	231.99	235.32
	Total	1,899.49	1,873.32	1,930.56	1,873.32

* Refer note 2

Notes:

- The above standalone financial results for the quarter ended June 30, 2023 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 1, 2023.
- The figures for the quarter ended March 31, 2023 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, 2023.
- Exceptional item
 - For the quarter ended March 31, 2023 represents provision for impairment in investment in Escorts Crop Solutions Limited (a subsidiary company) amounting to ₹ 24.40 Crores.
 - For the year ended March 31, 2023 represents provision for impairment in investment in Escorts Crop Solutions Limited (a subsidiary company) amounting to ₹ 24.40 Crores, and loss on disposal of investments in Tadano Cranes India Private Limited (Formerly known as Tadano Escorts India Private Limited, a Joint Venture of the Company) amounting to ₹ 72.76 Crores.
- Subsequent to approval of the Board of Directors on February 18, 2022 for selective reduction of share capital of the Company by cancelling and extinguishing 2,14,42,343 Equity Shares, held by the Escorts Benefit and Welfare Trust, the Company filed a Scheme for reduction of share capital ("the Scheme") between the Company and its shareholders, under Section 66 read with Section 52 and other applicable provisions of the Companies Act, 2013 and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, with the Hon'ble NCLT of Chandigarh ("the Tribunal") on August 14, 2022. During the current quarter, the Scheme has been approved by the Tribunal vide its order dated May 25, 2023 ("Order"). The scheme became effective upon filing of the certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction with the RoC on May 29, 2023. Accordingly, the impact of the scheme has been considered in these results.
- The Board of the Directors of the Company on September 15, 2022 had approved a Scheme of Amalgamation ("Scheme"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and rules framed thereunder. The Scheme, inter alia, provides for amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited (Amalgamating Companies) into and with Escorts Kubota Limited (Amalgamated Company). The Company has received no objection from the National Stock Exchange Limited and Bombay Stock Exchange vide their letters dated May 29, 2023 and May 30, 2023, respectively, in respect of the aforesaid Scheme. Subsequently, the Company has filed the said Scheme with the Hon'ble National Company Law Tribunal, Chandigarh bench (NCLT) on July 12, 2023. The Scheme is subject to approvals of requisite majorities of the shareholders, creditors, NCLT and other regulatory authorities, as may be applicable.
- Tax expense for the quarter ended March 31, 2023 and year ended March 31, 2023 includes current/ deferred tax credit of ₹ 7.21 Crores and ₹ 25.52 Crores, respectively, related to exceptional item.

Place: Faridabad
Date: 01-08-2023



For Escorts Kubota Limited

Nikhil Nanda
(Chairman and Managing Director)

Escorts Kubota Limited (Formerly Escorts Limited)
Phone: 0129-2250222, Fax: 0129-2250060
E-mail: corp.secretariat@escortskubota.com, Website: www.escortsgroup.com
Registered Office: 15/5, Mathura Road, Faridabad - 121 003, Haryana
CIN - L74899HR1944PLC039088



Escorts Kubota Limited (Formerly Escorts Limited)
Statement of Consolidated Unaudited Financial Results for the quarter ended June 30, 2023

Particulars	₹ in Crores			
	Consolidated results			
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
	30-06-2023	31-03-2023	30-06-2022	31-03-2023
	Unaudited	Audited*	Unaudited	Audited
Income				
Revenue from operations	2,355.17	2,214.48	2,032.06	8,428.69
Other income	94.35	75.68	35.52	280.93
Total income	2,449.52	2,290.16	2,067.58	8,709.62
Expenses				
Cost of materials consumed	1,453.26	1,476.73	1,435.89	5,776.18
Purchases of stock-in-trade	121.27	115.25	126.25	510.35
Changes in inventories of finished goods, work-in-progress and stock-in-trade	69.97	(6.58)	(99.77)	(163.65)
Employee benefits expense	151.18	160.18	139.69	607.40
Finance costs	3.43	3.63	3.20	13.27
Depreciation and amortisation expense	40.30	38.37	36.82	150.06
Other expenses	228.44	235.74	226.39	920.89
Total expenses	2,067.85	2,023.32	1,868.47	7,814.50
Profit before share of net profit of investment accounted for using the equity method, exceptional items and tax	381.67	266.84	199.11	895.12
Share of profit/(loss) of investments accounted for using equity method	4.67	10.78	(7.57)	(7.48)
Profit before exceptional items and taxes	386.34	277.62	191.54	887.64
Exceptional items (refer note 3)	-	-	-	(53.05)
Profit before tax	386.34	277.62	191.54	834.59
Tax expense (refer note 6)				
Current tax	79.88	35.15	49.18	171.60
Deferred tax charge	16.77	26.01	1.77	26.34
Total tax expense	96.65	61.16	50.95	197.94
Net profit for the period	289.69	216.46	140.59	636.65
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	0.11	(0.17)	0.20	0.06
Re-measurements of defined employee benefit plans	0.62	(0.05)	2.44	2.40
Income tax relating to items that will not be reclassified to profit or loss	(0.17)	0.02	(0.64)	(0.62)
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	(0.13)	0.17	(0.14)	0.41
Income tax relating to items that will be reclassified to profit or loss	-	-	-	-
Total other comprehensive income	0.43	(0.03)	1.86	2.25
Total comprehensive income	290.12	216.43	142.45	638.90
Profit attributable to:				
a) Owners of the parent	289.90	216.49	140.64	636.78
b) Non-controlling interests	(0.01)	(0.03)	(0.05)	(0.13)
Other comprehensive income attributable to:				
a) Owners of the parent	0.43	(0.03)	1.86	2.25
b) Non-controlling interests	-	-	-	-
Total comprehensive income attributable to:				
a) Owners of the parent	290.33	216.46	142.50	639.03
b) Non-controlling interests	(0.01)	(0.03)	(0.05)	(0.13)
Earnings per share of ₹ 10 each :	Not annualised	Not annualised	Not annualised	
a) Basic (₹)	26.76	19.99	13.01	58.85
b) Diluted (₹)	26.73	19.96	12.99	58.76
Paid up equity share capital, equity share of ₹ 10 each	110.50	131.94	131.94	131.94
Other equity				8,054.77

* Refer note 2

m B



Escorts-Kubota Limited (Formerly Escorts Limited)
Segment wise revenue, results and capital employed for the quarter ended June 30, 2023

Sl. No.	Particulars	₹ in Crores			
		Consolidated			
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	For the year ended
		30-06-2023	31-03-2023	30-06-2022	31-03-2023
		Unaudited	Audited*	Unaudited	Audited
1	Segment revenue:				
	a) Agri machinery products	1,693.54	1,588.02	1,610.91	6,397.08
	b) Construction equipments	360.10	384.84	246.14	1,178.98
	c) Railway equipments	297.74	237.21	173.35	841.86
	d) Unallocated	4.30	6.33	3.48	19.58
	Total	2,355.68	2,216.40	2,033.88	8,437.50
	Less: Inter segment revenue	0.51	1.92	1.82	8.81
	Net segment revenue	2,355.17	2,214.48	2,032.06	8,428.69
2	Segment results:				
	a) Agri machinery products	228.01	155.06	171.38	593.32
	b) Construction equipments	27.26	31.15	2.44	34.13
	c) Railway equipments	62.31	33.12	23.49	115.87
	Total	317.58	219.33	197.31	743.32
	Less:				
	- Finance costs	3.43	3.63	3.20	13.27
	- Exceptional items (refer note 3)				53.05
	- Other unallocable expenditure (Net of unallocable income)	(72.19)	(61.92)	2.57	(157.59)
	Total profit before tax	386.34	277.62	191.54	834.59
3	Segment assets				
	a) Agri machinery products	3,536.38	3,644.03	3,299.04	3,644.03
	b) Construction equipments	291.93	353.46	332.79	353.46
	c) Railway equipments	532.59	623.09	407.44	623.09
	d) Auto ancillary products (discontinued operation)	0.12	0.12	0.12	0.12
	e) Unallocated	6,031.55	5,464.53	5,654.81	5,464.53
	Total	10,392.57	10,085.23	9,694.20	10,085.23
4	Segment liabilities				
	a) Agri machinery products	1,230.80	1,290.36	1,385.94	1,290.36
	b) Construction equipments	268.73	292.16	207.58	292.16
	c) Railway equipments	112.80	79.41	122.14	79.11
	d) Auto ancillary products (discontinued operation)	16.13	5.13	5.15	5.13
	e) Unallocated	298.66	235.64	233.03	235.64
	Total	1,916.62	1,902.40	1,953.84	1,902.40

* Refer note 2

Notes:

- The above consolidated financial results for the quarter ended June 30, 2023 were reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on August 01, 2023.
- The figures for the quarter ended March 31, 2023 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, 2023.
- Exceptional item for the year ended March 31, 2023 amounting to ₹ 53.05 crores, represents loss on disposal of investments in Tadano Cranes India Private Limited (formerly Tadano Escorts India Private Limited, a Joint Venture of the Company).
- Subsequent to approval of the Board of Directors on February 18, 2022 for selective reduction of share capital of the Company by canceling and extinguishing 2,14,42,343 Equity Shares, held by the Escorts Benefit and Welfare Trust, the Company filed a Scheme for reduction of share capital ("the Scheme") between the Company and its shareholders, under Section 66 read with Section 52 and other applicable provisions of the Companies Act, 2013 and National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016, with the Hon'ble NCLT of Chandigarh ("the Tribunal") on August 14, 2022. During the current quarter, the Scheme has been approved by the Tribunal vide its order dated May 25, 2023 ("Order"). The scheme became effective upon filing of the certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction with the RoC on May 29, 2023. Accordingly, the impact of the scheme has been considered in these results.
- The Board of the Directors of the Company on September 15, 2022 had approved a Scheme of Amalgamation ("Scheme"), under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and rules framed thereunder. The Scheme, inter alia, provides for amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited (Amalgamating Companies) into and with Escorts Kubota Limited (Amalgamated Company). The Company has received no objection from the National Stock Exchange Limited and Bombay Stock Exchange vide their letters dated May 29, 2023 and May 30, 2023, respectively, in respect of the aforesaid Scheme. Subsequently, the Company has filed the said Scheme with the Hon'ble National Company Law Tribunal, Chandigarh bench (NCLT) on July 12, 2023. The Scheme is subject to approvals of requisite majorities of the shareholders, creditors, NCLT and other regulatory authorities, as may be applicable.
- Tax expense for the year ended March 31, 2023 includes current/deferred tax credit of ₹ 18.31 Crores related to exceptional item.

Place: Faridabad
Date: 01-08-2023



For Escorts Kubota Limited

(Signature)
Nikhil Kumar
(Chairman and Managing Director)

Escorts Kubota Limited (Formerly Escorts Limited)
Phone: 0129-2250222, Fax: 0129-2250060
E-mail: corp.secretarial@escortskubota.com, Website: www.escortsgroup.com
Registered Office: 15/5, Mathura Road, Faridabad - 121003, Haryana
CIN - L74899HR1944PLC039088



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

THIS IS AN ABRIDGED PROSPECTUS PERTAINING TO ESCORTS KUBOTA INDIA PRIVATE LIMITED WHICH IS BEING ISSUED IN COMPLIANCE WITH THE PROVISIONS OF SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 4, 2022 READ WITH MASTER CIRCULAR BEARING NUMBER SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 AND SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 DATED NOVEMBER 23, 2021 ("SEBI CIRCULARS") ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI).

THIS HAS BEEN ISSUED IN RELATION TO THE COMPOSITE SCHEME OF AMALGAMATION OF ESCORTS KUBOTA INDIA PRIVATE LIMITED ("AMALGAMATING COMPANY NO. 1" OR "EKI") AND KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED ("AMALGAMATING COMPANY 2") INTO AND WITH ESCORTS KUBOTA LIMITED ("AMALGAMATED COMPANY" OR "EKL")

THIS DISCLOSURE DOCUMENT CONTAINS 12 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This Disclosure Document has been prepared in the format specified for the Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable.

Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of Escorts Kubota India Private Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota Limited to subscribe for or purchase any of the securities.

Capitalised terms not defined herein shall have the same meaning as defined in the Notice.

NAME AND CORPORATE DETAILS OF RELEVANT COMPANY

Escorts Kubota India Private Limited

Corporate Identity Number (CIN): U34300HR2019FTC078790

Registered Office: 18/4, Mathura Road, Faridabad - 121007, Haryana, India

Tel.: 0129-6911200; E-mail: information@escorts.kubota.com

Contact Person: Prosenjeet Roy

PROMOTERS OF THE COMPANY

The Promoters of the Company are Kubota Corporation, Japan and Escorts Kubota Limited.

SCHEME DETAILS AND PROCEDURE

The Composite Scheme of Arrangement is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, in the manner provided for in the Scheme thereof.

The Composite Scheme of Arrangement inter-alia provides for the following: -

1. Amalgamation of Escorts Kubota India Private Limited ("Amalgamating Company No. 1") and Kubota Agricultural Machinery India Private Limited ("Amalgamating Company No. 2") into and with Escorts Kubota Limited ("Amalgamated Company").



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

2. Transfer of the authorised share capital of the Amalgamating Company No. 1 and the Amalgamating Company No.2 to the Amalgamated Company as provided, and consequential increase in the authorised share capital of the Amalgamated Company.
3. On the Scheme becoming effective, the Amalgamating Company No.1 and the Amalgamating Company No.2 shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013; and
4. Listing of the equity shares issued by the Amalgamated Company to the shareholders of the Amalgamating Company No.1 and the Amalgamating Company No.2 on the Stock Exchanges (*as defined hereinafter*) along with various other matters consequential or otherwise integrally connected therewith.

Upon the Scheme coming into effect on the Effective Date, and upon the amalgamation of the Amalgamating Company No. 1 into and with the Amalgamated Company, the Amalgamated Company shall, without any further application, act, instrument, or deed, issue and allot to the respective shareholders of the Amalgamating Company No. 1 whose names are recorded in the respective register of members as a member of the Amalgamating Company No. 1 on the Effective Date, New Equity Shares, free and clear from all encumbrances together with all rights and benefits attaching thereto, in consideration for the amalgamation of the Amalgamating Company No. 1 with and into the Amalgamated Company, in the following ratio:

“5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 129 (One Hundred Twenty-Nine) equity shares held in Amalgamating Company No. 1 having face value of INR 100 each fully paid up.”

To the extent Amalgamated Company is a shareholder of Amalgamating Companies as on the effective Date, no shares shall be issued by Amalgamated Company in lieu of any such shareholding in Amalgamating Companies.

Details about the basis for the Share Entitlement Ratio, the valuation report and fairness opinion are available on the websites of the Amalgamated Company i.e. www.escortsgroup.com, BSE Limited i.e., www.bseindia.com and The National Stock Exchange of India Limited i.e., www.nseindia.com (“Stock Exchanges”).

The equity shares issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Company 1, pursuant to the Scheme, will be listed and/ or admitted to trading on the Stock Exchanges, subject to entering into such arrangements and giving such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for the Amalgamated Company, for complying with the formalities / requirements of the Stock Exchange(s).

PROCEDURE:

Pursuant to the provisions of the Scheme, post receipt of approval of the National Company Law Tribunal (“NCLT”) and upon certified copies of the sanction order(s) of the NCLT approving the Scheme being filed with the Registrar of Companies, the Amalgamated Company shall issue and allot equity shares to Shareholders of the Amalgamating Company 1 as on the effective Date, as per the Share Exchange Ratio set out in the Scheme. The Amalgamated Company shall be making necessary application for listing of the equity shares allotted pursuant to the Scheme. The equity shares are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited. No further steps or actions would be required to be undertaken by the shareholders of the Amalgamating Companies to be entitled to receive equity shares of the Amalgamated Company.

Further, the procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the procedure with respect to General Information Document (GID) is not applicable and this Disclosure Document must be read accordingly.



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

ELIGIBILITY FOR THE ISSUE

This Disclosure Document is prepared in compliance with the observation letters issued by the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") dated 29th May 2023 and 30th May 2023 respectively and in compliance with SEBI Circulars and contains the applicable information in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

The Equity Shares sought to be listed are proposed to be allotted by the Amalgamated Company to the Shareholders of the Amalgamating Company pursuant to the Scheme to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the SEBI Circulars and subject to and in accordance with the terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the regulations 26(1) or 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable.

This document does not constitute an offer to public at large. There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations, are not applicable

INDICATIVE TIMETABLE

This Disclosure Document is filed pursuant to the Scheme and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the National Company Law Tribunal, the time frame cannot be established with certainty.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors mentioned in this Disclosure Document carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Transferee Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or the Document. Specific attention of the investors is invited to the section titled "Scheme Details and Procedure" beginning on page 1 and section titled "Internal Risk Factors" beginning on page 10 of this Disclosure Document.

REGISTERED MERCHANT BANKER

Price Information of Book Running Lead Manager – Not Applicable

The details of the Registered Merchant Banker appointed under the SEBI Circulars is as follows:

Name of Registered Merchant Banker and contact details (telephone and email id)

D & A Financial Services (P) Ltd.

Address: SEBI Registration No. INM000011484, 13, Community Centre, East of Kailash, New Delhi-110065

Tel No: +91 11 41326121;

Email: investors@dnafinserv.com

Website: www.dnafinserv.com ;

Contact Person: Mr. Priyaranjan

STATUTORY AUDITOR AND OTHER DETAILS

Name of Statutory Auditor & contact details

Deloitte Haskins & Sells LLP

Address: 7th Floor, Building No 10, Tower B, DLF Cyber City Complex, DLF City Phase – II



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

	Gurugram – 122002, Haryana Tel No.: 0124-6752000 Firm Reg. No.: 117366W/W-100018 Email Id: samrohatgi@deloitte.com
Name of Syndicate Members	Not Applicable
Name of the Registrar to the Issue and contact details (telephone and email id)	Not Applicable
Name of the Credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture Trustee	Not Applicable
Self-Certified Syndicate Banks	Not Applicable
Non-Syndicate Registered Brokers	Not Applicable

PROMOTERS OF THE COMPANY

- Kubota Corporation, Japan:**

Kubota Corporation is a public listed entity listed on the Tokyo Stock Exchange, incorporated under the laws of Japan (Company Registration Number: 1200-01-037978) on 22 December 1930. The name of the Kubota Corporation changed from Kubota Tekko Kabushiki Kaisha to its present name in 1990 (i.e., Kubota Corporation). There has been no change in the name of Kubota Corporation since then. Kubota Corporation has its registered office at 2-47, Shikitsuhigashi 1-chome, Naniwa-Ku, Osaka 556-8601, Japan. It is primarily engaged in the business of, inter-alia, manufacturing farm equipment, agricultural related products, engines, construction machinery, pipe and infrastructure related products (such as ductile iron pipes, plastic pipes, valves, industrial castings, spiral-welded steel pipes, air-conditioning equipment, and other products) and environmental related products (such as environmental control plants, pumps, valves for private sector, and other products).

Kubota Corporation, Japan holds 60% of the total issued and paid-up capital of Escorts Kubota India Private Limited.

- Escorts Kubota Limited:**

Escorts Kubota Limited, is a public limited company, incorporated on October 17, 1944, under the provisions of the Companies Act, 1913, under the name 'Escorts (Agents) Limited'. Pursuant to the effectiveness of Section 24 of the Companies Act, 1956, the word 'Private' was added before the word 'Limited' in the name of Escorts Kubota Limited and the name of Escorts Kubota Limited was changed to 'Escorts (Agents) Private Limited'. Further, consequent to the fresh certificate of incorporation dated January 18, 1960, issued upon change of name by the Registrar of Companies, Delhi and Haryana, the name of Escorts Kubota Limited was changed from 'Escorts (Agents) Private Limited' to 'Escorts Limited'. Furthermore, consequent to the fresh certificate of incorporation pursuant to change of name dated June 9, 2022, issued by the Registrar of Companies, NCT of Delhi and Haryana, the name of the Escorts Kubota Limited was changed from 'Escorts Limited' to 'Escorts Kubota Limited'. The registered office of Escorts Kubota Limited was changed from the state of Delhi to the state of Haryana, pursuant to the order of the Company Law Board, New Delhi, dated April 4, 2009, and upon issuance of a certificate of registration of the Company Law Board order for change of state dated May 15, 2009. The registered office of Escorts Kubota Limited is currently situated at 15/5, Mathura Road, Faridabad - 121003, Haryana, India, within the jurisdiction of this Tribunal. The shares of Escorts Kubota Limited are currently listed on 2 (two) stock exchanges - the BSE (as defined hereinafter) and NSE (as defined hereinafter).

Escorts Kubota Limited 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

18/4, Mathura Road, Faridabad - 121007 Tel: 0129-6911200

CIN:U34300HR2019FTC078790

Escorts Kubota Limited holds 40% of the total issued and paid-up capital of Escorts Kubota India Private Limited.

BUSINESS OVERVIEW AND STRATEGY

Company Overview: Escorts Kubota India Private Limited bearing CIN number U34300HR2019FTC078790 is a private Company having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India. The main object is conducting the business of production and sale of tractors for the Indian and global markets.

Product/Service Offering: Tractors used in Agriculture and its components and parts thereof

Revenue segmentation by product/service offering:

	In Lacs	In Lacs
Revenue from operation		
Sale of products		
Revenue from sale of tractors	82,048.22	
Revenue from sale of traded goods (tooling)	3,758.46	
Revenue from sale of spare parts	9,347.33	
Sale of services		
Revenue from Job work services	2,191.58	
Other operating income		
Sale of scrap	210.41	
		97,556.00
Other Income		
Liabilities no longer required written back	62.26	
Miscellaneous income	48.97	
		111.23

Geographies Served: India and Overseas

Revenue segmentation by geographies:

	In Lacs	In Lacs
Within India	84,786.59	
Outside India	12,759.41	
		97,556.00



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

Key Performance Indicators:			(Rs. In lakhs)	
Particulars	As on June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	31,660.99	97,556.00	68,732.65	31,722.79
Profit before Tax	1,670.95	(981.03)	(9,646.23)	(3,348.90)
Profit before Tax margin (%)	5.28	(1.01%)	(14.03%)	(10.56%)
Profit After Tax	1,670.95	(981.03)	(9,646.23)	(3,387.87)
Profit After Tax margin (%)	5.28	(1.01%)	(14.03%)	(10.68%)
Earning per share				
Basic (Rs./share)	5.57	(3.27)	(32.15)	(11.29)
Diluted (Rs./share)	5.57	(3.27)	(32.15)	(11.29)
Book value (Rs./share)	58.27	52.69	55.91	88.02
Net worth	17,482.00	15,807.19	16,774.17	26,406.79

Client Profile or Industries Served: Agricultural Industry				
Revenue segmentation in terms of top 5/10 clients or Industries:				
	In Lacs			
Kubota Agricultural Machinery India Pvt. Ltd.	82,384.59			
Kubota Industrial Equipment Corporation	5,291.73			
Kubota Corporation	3,853.95			
Kubota Machinery Trading Co Ltd.	2,410.43			
Escorts Kubota Limited	2,192.07			

Intellectual Property, if any: Nil				
Market Share: 2%				
Manufacturing plant, if any: 18/4, Mathura Road, Faridabad, Haryana				
Employee Strength: 168 as on June 30, 2023				

BOARD OF DIRECTORS OF ESCORTS KUBOTA INDIA PRIVATE LIMITED

Sr. No.	Name, DIN and Address	Designation	Experience and Educational Qualifications	Other Directorship
1.	Mr. Nikhil Nanda Address: Nirvana, C-26, Asola Village, Fatehpur Beri, New Delhi-110074	Director	Alumnus Wharton Business School, Philadelphia, having	Indian Companies: a) Big Apple Clothing Private Limited.



Escorts Kubota India Private Limited

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Sr. No.	Name, DIN and Address	Designation	Experience and Educational Qualifications	Other Directorship
			over 25 years of experience	b) Niky Tasha Private Limited. c) Escorts Kubota Limited. d) Sietz Technologies India Private Limited. e) Aaa Portfolios Private Limited. f) Har Prashad and Company Private Limited Foreign Companies: a) Kubota Holdings Eurpoe B.V
2.	Mr. Hardeep Singh Address: 608 A, The Aralias, Dlf Golf Links, DLF Phase 5, Gurugram, 122009, HARYANA	Director	Bachelor of Economics and Alumnus of Kellogg School of Management having over 30 years of experience	Indian Companies: a) UPL Limited b) Escorts Kubota Limited c) Advanta Enterprises Limited d) Mahindra Agri Solutions Limited e) UPL Sustainable Agri Solutions Limited f) Agresource Management Private Limited Foreign Companies: a) Zuari Yoma Agri Solutions Limited b) UPL Corporation Ltd. c) Yoma Agriculture Company Limited d) UPL Corporation Limited e) UPL DO Brasil
3.	Mr. Akira Kato Address: 3-12-508, Furuedai-5 Chome Suita City, Osaka Japan, 5650874	Director	Bachelor of Economics having over 27 Years of experience	Indian Companies: sNil Foreign Companies: Nil
4.	Mr. Yoshimitsu Ishibashi Address: 1-2-20-801, Bandaihighashi Sumiyhoshi-KU, Osaka Prefecture, Osaka, Japan, 5580056	Director	Bachelor of Commerce having over 40 Years of experience	Indian Companies: Nil Foreign Companies: Nil



Escorts Kubota India Private Limited

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Sr. No.	Name, DIN and Address	Designation	Experience and Educational Qualifications	Other Directorship
5.	Mr. Dai Watanabe Address: 2-15-15, Midorigaoka, Osaka Prefecture, Toyonaka, Japan-5600002	Director	Masters of Business Administration having over 40 Years of experience	Indian Companies: Escorts Kubota Limited Foreign Companies: a) Kubota Corporation b) Kubota North America Corporation c) Kubota Holdings Europe B.V d) SIAM Kubota Corporation CO. Ltd.
6.	Mr. Seiji Fukuoka Address: 6-16-39, Minamiku Akasakadai, Osaka Prefecture, Sakai, Japan, 5900144	Director	Bachelor of Economics having over 25 Years of Experience	Indian Companies: Escorts Kubota Limited Foreign Companies: Nil
7.	Mr. Nandkumar Sitaram Rane Address: C2/602, Uniworld City, Sector-30, Gurugram, 122001, Haryana	Director	Bachelor of Technology and Executive Program, in Management having over 39 Years of experience	Indian Companies: Nil Foreign Companies: Nil
8.	Mr. Katsunori Asano Address: Plot No B-37, 2 nd Floor, Sushant Lok-II, Gurugram, 122011, Haryana	Director	Master of Technology having over 30 Years of experience	Indian Companies: Nil Foreign Companies: Nil
9.	Mr. Nobushige Ichikawa Address: 3-17-20, Nozomino, Izumi City, 5941105, Japan	Director	Master's Degree, Tokyo Institute of Technology, having over 33 Years of experience	Indian Companies: Nil Foreign Companies: Nil

OBJECTS OF THE ISSUE/ RATIONALE OF THE SCHEME

The rationale for the Scheme is, *inter alia*, as follows:

(i) The Amalgamated Company proposes to enter into the 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.

(ii) The management of the respective Companies (as defined hereinafter) are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:

(a) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel: 0129-6911200

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(b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.

(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.

(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.

(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.

Details of means of finance: Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues/rights issue, if any, of the Company in the preceding 10 years: Not Applicable

Terms of Issuance of convertible Security, if any: Not Applicable

Name of monitoring agency, if any: Since there is no issue of equity shares to the public at large except to the existing shareholders of Demerged Company, pursuant to the Scheme, the appointment of a monitoring agency is not required.

Pre-scheme and Post Shareholding Pattern of the Company:

Equity Shares

Sr. No.	Particulars	Pre-Scheme number of shares	Pre-Scheme % Holding
1.	Promoter & Promoter Group	3,00,00,000	100.00
2.	Public	NIL	NIL
	Total (A+B)	3,00,00,000	100.00

Number/ amount of equity shares proposed to be sold by selling shareholders, if any: **Not Applicable**

Post Merger with Escorts Kubota Limited, Company would cease to exist thus Post Shareholding Pattern of Company would be : **NIL**

RESTATED STANDALONE AUDITED FINANCIALS

(Rs. In Lakhs)

Particulars	As on June 30, 2023 (basis Limited Review Financials)	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	31,660.99	97,556.00	68,732.65	31,722.79
Total income	31,940.34	97,667.23	68,948.97	32,154.62
Net Profit / (Loss) before tax and extraordinary items	1,670.95	(981.03)	(9,646.23)	(3,348.90)



Escorts Kubota India Private Limited

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Net Profit / (Loss) after tax and extraordinary items	1,670.95	(981.03)	(9,646.23)	(3,387.87)
Equity Share Capital	30,000.00	30,000.00	30,000.00	30,000.00
Other Equity	(12,518.00)	(14,192.81)	(13,225.83)	(3,593.21)
Net worth	17,482.00	15,807.19	16,774.17	26,406.79
Basic & diluted earnings per share (Rs.)	5.57	(3.27)	(32.15)	(11.29)
Return on net worth (%)	9.56	(6.21)	(57.51)	(12.83)
Net Asset Value Per Share (Rs)	58.27	52.69	55.91	88.02

Consolidated: NA

(Rs. in Lakhs)

Particulars	As on June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total income from operations (net)	NA	NA	NA	NA
Net Profit / (Loss) before tax and extraordinary items	NA	NA	NA	NA
Net Profit / (Loss) after tax and extraordinary items	NA	NA	NA	NA
Equity Share Capital	NA	NA	NA	NA
Reserves and Surplus	NA	NA	NA	NA
Net Worth	NA	NA	NA	NA
Basic earnings per share (Rs.)	NA	NA	NA	NA
Diluted earnings per share (Rs.)	NA	NA	NA	NA
Return on Net Worth (%)	NA	NA	NA	NA
Net asset value per share (Rs.)	NA	NA	NA	NA

INTERNAL RISK FACTORS

1. The Scheme for Amalgamation is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.
2. Any non-compliance with the regulatory laws of the land may lead to penalties and fines.
3. Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Crores)

Company						
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	1	4	Nil	Nil	0.10
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	2	146	2	Nil	0	328.37
Against Promoters	2	39	1	Nil	51	1,876.75
Subsidiaries						
By Subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
Against Subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

*To the extent quantifiable

The said details of outstanding litigations are as on August 31, 2023

B. Brief details of top 5 material outstanding litigations against the company and amount involved-

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1	The Employees Compensation Act, 1923, at Bulandshahar, Uttar Pradesh	Kamla & Others	Pending	0.08 Crores

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any

Nil

D. Brief details of outstanding criminal proceedings against Promoters

Criminal Proceedings (by Promoters)

CRL.A. 801/2007: The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/292/2003 dated 8 December 2003, imposed a penalty of Rs. 1,00,00,000/- on the Company on account of violation of Section 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture company of the Company, for providing operational services of VSAT equipment instead of undertaking manufacturing activities. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the before the Hon'ble High Court of Delhi – reference no. CRL.A. 801/2007.

CRL.A. 799/2007: The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/291/2003 dated 8 December 2003, imposed a penalty of Rs. 5,00,000/- on the Company on account of violation of Section 19(1)(a), 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.: 0129-6911200

CIN:U34300HR2019FTC078790

company of the Company, for making outward remittance of foreign exchange equivalent to Rs 19,12,499/- to its non-residents shareholders out of the earnings arising out of the services provided by Hughes Escorts Communication Limited. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the Company before the Hon'ble High Court of Delhi – reference no. CRLA. 799/2007.

Criminal Proceedings (against Promoters)

CRR No. 567 of 2022: This is a Criminal Revision filed by one Mr. Naval Singh in which the Company has also been arrayed as one of the eight parties. Mr. Naval Singh alleges that he had purchased a new Tractor and the same was financed by Respondent No. 1 i.e. Kotak Mahindra Bank. He further alleges that 5-6 people representing the Respondent No. 3 i.e. Bank of Baroda arrived at his field and repossessed the tractor. He also alleges that the Respondent No. 6 i.e. RTO Officer changed the engine number and even after this fraud was reported to Respondent No. 7 i.e. Bilkheria Police Station, no action was taken by the police. He further states that when he wrote a letter to Respondent No. 8 i.e. Escorts Kubota Ltd. seeking the actual engine and chassis number, no response was provided. He alleges that all the Respondents in collusion with each other have cheated him and therefore he seeks to set aside the lower court order.

Private Complaint No. 106 of 2017: In a complaint filed before the Judicial Magistrate First Class, Gadag, the complainant stated itself to be a partnership firm appointed as an authorized Distributor of the Company. It is alleged by the complainant that it was advised by the Company to supply tractors on credit basis to three dealers who were already in debt with the Company. It was further alleged that upon sale of tractors by complainant, the company took the payments and adjusted towards its debts. It is alleged that the Company in collusion with the other officials have cheated the Complainant by receiving dues from the three dealers through the Complainant and have intentionally caused loss to the Complainant and hence, are liable to be prosecuted under various sections of IPC.

ANY OTHER MATERIAL INFORMATION OF ESCORTS KUBOTA INDIA PRIVATE LIMITED: NIL

DECLARATION BY ESCORTS KUBOTA INDIA PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.

For Escorts Kubota India Private Limited

PROSENJEET ROY Digitally signed by
PROSENJEET ROY
Date: 2023.10.21
13:49:03 +05'30'

Prosenjeet Roy
Company Secretary
M. No. A35335

Date: 21/10/2023
Place: Ghaziabad



D & A FINANCIAL SERVICES (P) LIMITED
Merchant Banking & Corporate Advisory Services

To
Escorts Kubota India Private Limited
18/4, Mathura Road, Faridabad - 121007
Haryana, India

Date: 21st October, 2023

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023 in terms of Scheme of Amalgamation of Escorts Kubota India Private Limited ("Amalgamating No. 1) and Kubota Agricultural Machinery India Private Limited ("Amalgamating No.2) with Escorts Kubota Limited ("Amalgamated Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Escorts Kubota Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Escorts Kubota India Private Limited, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023, a Compliance Report has to be obtained from an Independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the Shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India)
Phone: +91 11 41326121, 40167038
E-mail: investors@dnafinserv.com, compliance@dnafinserv.com, valuation@dnafinserv.com, contact@dnafinserv.com
Website: www.dnafinserv.com, Branch Office : Mumbai
CIN : U74899DL1981FTC012709

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation and Arrangement.
2. Abridged Prospectus dated 21st October, 2023 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the companies.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.

Compliance Report

We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 21st October, 2023, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Escorts Kubota India Private





Merchant Banking & Corporate Advisory Services

Limited and the disclosures made with respect to Escorts Kubota India Private Limited are accurate and adequate to the extent applicable.

Thanking You
For D & A Financial Services (P) Limited


(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi



Kubota Agricultural Machinery India Pvt. Ltd.

Block No. 94, Tower - 1, 8th Floor,
TVH Bellicia Towers, MRC Nagar,
Chennai - 600028. T.N., INDIA
Tel: +91-44-6104 1500
Fax: +91-44-6104 1600
Website: www.kubota.co.in

THIS IS AN ABRIDGED PROSPECTUS PERTAINING TO KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED WHICH IS BEING ISSUED IN COMPLIANCE WITH THE PROVISIONS OF SEBI CIRCULAR NO. SEBI/HO/CFD/SSEP/CIR/P/2022/14 DATED FEBRUARY 4, 2022 READ WITH MASTER CIRCULAR BEARING NUMBER SEBI/HO/CFD/POD-2/P/CIR/2023/93 DATED JUNE 20, 2023 AND SEBI/HO/CFD/DIL/CIR/P/2021/0000000665 DATED NOVEMBER 23, 2021 ("SEBI CIRCULARS") ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI).

THIS HAS BEEN ISSUED IN RELATION TO THE COMPOSITE SCHEME OF AMALGAMATION OF ESCORTS KUBOTA INDIA PRIVATE LIMITED ("AMALGAMATING COMPANY NO. 1" OR "EKI") AND KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED ("AMALGAMATING COMPANY 2") INTO AND WITH ESCORTS KUBOTA LIMITED ("AMALGAMATED COMPANY" OR "EKL")

THIS DISCLOSURE DOCUMENT CONTAINS 11 PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

This Disclosure Document has been prepared in the format specified for the Abridged Prospectus as provided in Part E of Schedule VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, to the extent applicable.

Nothing in this Disclosure Document constitutes an offer or an invitation by or on behalf of Escorts Kubota India Private Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota Limited to subscribe for or purchase any of the securities.

Capitalised terms not defined herein shall have the same meaning as defined in the Notice.

NAME AND CORPORATE DETAILS OF RELEVANT COMPANY

Kubota Agricultural Machinery India Private Limited
Corporate Identity Number (CIN): U29210HR2008FTC093295

Registered Office: 18/4, Mathura Road, Faridabad - 121007, Haryana, India
Tel.: 044-61041500; E-mail: [kai_g.secretary@kubota.com]
Contact Person: [Ms. Kumud Maheshwari]

PROMOTERS OF THE COMPANY

The Promoters of the Company are Kubota Corporation, Japan and Escorts Kubota Limited.

SCHEME DETAILS AND PROCEDURE

The Composite Scheme of Arrangement is presented under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, in the manner provided for in the Scheme thereof.

The Composite Scheme of Arrangement inter-alia provides for the following: -

1. Amalgamation of Escorts Kubota India Private Limited ("Amalgamating Company No. 1") and Kubota Agricultural Machinery India Private Limited ("Amalgamating Company No. 2") into and with Escorts Kubota Limited ("Amalgamated Company").
2. Transfer of the authorised share capital of the Amalgamating Company No. 1 and Amalgamating Company No. 2 to the Amalgamated Company as provided, and consequential increase in the authorised share capital of the Amalgamated Company.



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Registered Office : 18/4, Mathura Road, Faridabad, Haryana - 121007, INDIA.
email : kai_g.info@kubota.com CIN-U29210HR2008FTC093295

3. On the Scheme becoming effective, the Amalgamating Company 1 and the Amalgamating Company 2 shall stand dissolved automatically without being wound-up in accordance with the provisions of Section 230-232 of the Companies Act, 2013; and
4. Listing of the equity shares issued by the Amalgamated Company to the shareholders of the Amalgamating Company 1 and the Amalgamating Company 2 on the Stock Exchanges (*as defined hereinafter*) along with various other matters consequential or otherwise integrally connected therewith.

Upon the Scheme coming into effect on the Effective Date, and upon the amalgamation of the Amalgamating Company No. 2 into and with the Amalgamated Company, the Amalgamated Company shall, without any further application, act, instrument, or deed, issue and allot to the respective shareholders of the Amalgamating Company No. 2 whose names are recorded in the respective register of members as a member of the Amalgamating Company No. 2 on the Effective Date, New Equity Shares, free and clear from all encumbrances together with all rights and benefits attaching thereto, in consideration for the amalgamation of the Amalgamating Company No. 2 with and into the Amalgamated Company, in the following ratio:

"5 (Five) equity shares of Amalgamated Company having face value of INR 10 each fully paid up shall be issued for every 220 (Two Hundred Twenty) equity shares held in Amalgamating Company No.2 having face value of INR 10 each fully paid up.)"

To the extent Amalgamated Company is a shareholder of Amalgamating Companies as on the effective Date, no shares shall be issued by Amalgamated Company in lieu of any such shareholding in Amalgamating Companies.

Details about the basis for the Share Entitlement Ratio, the valuation report and fairness opinion are available on the websites of the Amalgamated Company www.esortsgroup.com, BSE Limited i.e., www.bseindia.com and The National Stock Exchange of India Limited i.e., www.nseindia.com ("Stock Exchanges").

The equity shares issued and allotted by the Amalgamated Company to the shareholders of the Amalgamating Company 2, pursuant to the Scheme, will be listed and/ or admitted to trading on the Stock Exchanges, subject to entering into such arrangements and giving such confirmations and/or undertakings as may be necessary in accordance with the applicable laws or regulations for the Amalgamated Company, for complying with the formalities / requirements of the Stock Exchange(s).

PROCEDURE:

Pursuant to the provisions of the Scheme, post receipt of approval of the National Company Law Tribunal ("NCLT") and upon certified copies of the sanction order(s) of the NCLT approving the Scheme being filed with the Registrar of Companies, the Amalgamated Company shall issue and allot equity shares to Shareholders of the Amalgamating Company 2 as on the effective Date, as per the Share Exchange Ratio set out in the Scheme. The Amalgamated Company shall be making necessary application for listing of the equity shares allotted pursuant to the Scheme. The equity shares are proposed to be listed on BSE Limited and the National Stock Exchange of India Limited. No further steps or actions would be required to be undertaken by the shareholders of the Amalgamating Companies to be entitled to receive equity shares of the Amalgamated Company.

Further, the procedure with respect to public issue/ offer would not be applicable as the Scheme does not involve issue of any equity shares to public at large, except to the shareholders of the Company. Hence, the procedure with respect to General Information Document (GID) is not applicable and this Disclosure Document must be read accordingly.

ELIGIBILITY FOR THE ISSUE

This Disclosure Document is prepared in compliance with the observation letters issued by the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") dated 29th May 2023 and 30th May 2023 respectively and in compliance



Kubota Agricultural Machinery India Pvt. Ltd.

with SEBI Circulars and contains the applicable information in the format for abridged prospectus as provided in Part E of Schedule VI of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable ;

The Equity Shares sought to be listed are proposed to be allotted by the Amalgamated Company to the Shareholders of the Amalgamating Company pursuant to the Scheme to be sanctioned by NCLT under Sections 230-232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, the SEBI Circulars and subject to and in accordance with the terms of Regulation 37 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Hence, the regulations 26(1) or 26(2) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 are not applicable.

This document does not constitute an offer to public at large. There being no initial public offering or rights issue, the eligibility criteria of SEBI (ICDR) Regulations, are not applicable

INDICATIVE TIMETABLE

This Disclosure Document is filed pursuant to the Scheme and is not an offer to public at large. Given that the Scheme requires approval of various regulatory authorities including and primarily, the National Company Law Tribunal, the time frame cannot be established with certainty.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors mentioned in this Disclosure Document carefully before taking an investment decision. For taking an investment decision, investors must rely on their own examination of the Transferee Company, including the risks involved. The Equity Shares have not been recommended or approved by the Securities Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Scheme or the Document. Specific attention of the investors is invited to the section titled "Scheme Details and Procedure" beginning on page 1 and section titled "Internal Risk Factors" beginning on page 9 of this Disclosure Document.

REGISTERED MERCHANT BANKER

Price Information of Book Running Lead Manager – Not Applicable

The details of the Registered Merchant Banker appointed under the SEBI Circulars is as follows:

Name of Registered Merchant Banker and contact details (telephone and email id)

D & A Financial Services (P) Ltd.
Address: SEBI Registration No. INM000011484, 13,
Community Centre, East of Kailash, New Delhi-110065
Tel No: +91 11 41326121;
Email: investors@dnafinserv.com
Website: www.dnafinserv.com ;
Contact Person: Mr. Priyaranjan

STATUTORY AUDITOR AND OTHER DETAILS

Name of Statutory Auditor & contact details

B S R & Co. LLP
Address: KRM Tower, 1st & 2nd Floors, No.1, Harrington
Road, Chetpet, Chennai – 600 031, India
Tel No.: +91 44 4608 3100
Firm Reg. No.: 101248W/W-100022
Email Id: kalyanasundararajan@bsraffiliates.com



Kubota Agricultural Machinery India Pvt. Ltd.

Name of Syndicate Members	Not Applicable
Name of the Registrar to the Issue and contact details (telephone and email id)	Not Applicable
Name of the Credit Rating Agency and the rating or grading obtained	Not Applicable
Name of Debenture Trustee	Not Applicable
Self-Certified Syndicate Banks	Not Applicable
Non-Syndicate Registered Brokers	Not Applicable

PROMOTERS OF THE COMPANY

• Kubota Corporation, Japan:

Kubota Corporation is a public listed entity listed on the Tokyo Stock Exchange, incorporated under the laws of Japan (Company Registration Number: 1200-01-037978) on 22 December 1930. The name of the Kubota Corporation changed from Kubota Tekko Kabushiki Kaisha to its present name in 1990 (i.e., Kubota Corporation). There has been no change in the name of Kubota Corporation since then. Kubota Corporation has its registered office at 2-47, Shikitsuhigashi 1-chome, Naniwa-Ku, Osaka 556-8601, Japan. It is primarily engaged in the business of, inter-alia, manufacturing farm equipment, agricultural related products, engines, construction machinery, pipe and infrastructure related products (such as ductile iron pipes, plastic pipes, valves, industrial castings, spiral-welded steel pipes, air-conditioning equipment, and other products) and environmental related products (such as environmental control plants, pumps, valves for private sector, and other products).

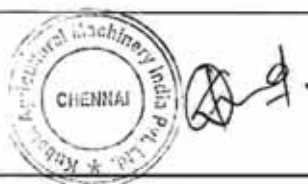
Kubota Corporation, Japan holds 60% of the total issued and paid-up capital of Kubota Agricultural Machinery India Private Limited.

• Escorts Kubota Limited:

Escorts Kubota Limited, is a public limited company, incorporated on October 17, 1944, under the provisions of the Companies Act, 1913, under the name 'Escorts (Agents) Limited'. Pursuant to the effectiveness of Section 24 of the Companies Act, 1956, the word 'Private' was added before the word 'Limited' in the name of Escorts Kubota Limited and the name of Escorts Kubota Limited was changed to 'Escorts (Agents) Private Limited'. Further, consequent to the fresh certificate of incorporation dated January 18, 1960, issued upon change of name by the Registrar of Companies, Delhi and Haryana, the name of Escorts Kubota Limited was changed from 'Escorts (Agents) Private Limited' to 'Escorts Limited'. Furthermore, consequent to the fresh certificate of incorporation pursuant to change of name dated June 9, 2022, issued by the Registrar of Companies, NCT of Delhi and Haryana, the name of the Escorts Kubota Limited was changed from 'Escorts Limited' to 'Escorts Kubota Limited'. The registered office of Escorts Kubota Limited was changed from the state of Delhi to the state of Haryana, pursuant to the order of the Company Law Board, New Delhi, dated April 4, 2009, and upon issuance of a certificate of registration of the Company Law Board order for change of state dated May 15, 2009. The registered office of Escorts Kubota Limited is currently situated at 15/5, Mathura Road, Faridabad - 121003, Haryana, India, within the jurisdiction of this Tribunal. The shares of Escorts Kubota Limited are currently listed on 2 (two) stock exchanges - the BSE (as defined hereinafter) and NSE (as defined hereinafter).

Escorts Kubota Limited 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 Limited holds 40% of the total issued and paid-up capital of Kubota Agricultural Machinery India Private Limited.



BUSINESS OVERVIEW AND STRATEGY

Company Overview: Kubota Agricultural Machinery India Private Limited bearing CIN number U29210HR2008FTC093295 is a private Company having its registered office at 18/4, Mathura Road, Faridabad - 121007, Haryana, India. The main object of Kubota Agricultural Machinery India Private Limited is conducting 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, construction equipment, engine and other agricultural machineries manufactured or assembled by Kubota Corporation, Japan (including those manufactured or assembled by Kubota Corporation's subsidiaries), as well as implements, accessories and spare parts of the foregoing.

Product/Service Offering: Tractor, Combine Harvester, Rice Transplanters, Construction equipment, engines and Spares parts

Revenue segmentation by product/service offering:

Tractor- INR 141,771.83 lakhs
Combine harvesters- INR 24,345.17 lakhs
Rice Transplanters: INR 2,468.29 lakhs
Construction equipment: INR 8,857.26 lakhs
Spare Parts: INR 24,944.80 lakhs

Geographies Served: India and Thailand

Revenue segmentation by geographies:

India- INR 196,400.51 lakhs
Thailand – INR 6,969.35 lakhs
Other countries: INR 2,084.10 lakhs

Key Performance Indicators:

Key Performance Indicators:				(Rs. In lakhs)
Particulars	As on June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	46,037.76	2,05,453.97	1,80,547.52	1,51,331.30
Profit before Tax	(469.99)	(333.91)	7,246.64	12,013.22
Profit before Tax margin (%)	(1.02%)	(0.16%)	4.01%	7.94%
Profit After Tax	(365.49)	(284.18)	5,343.21	8,917.58
Profit After Tax margin (%)	(0.79%)	(0.14%)	2.96%	5.89%
Earning per share				
Basic (Rs./share)	(0.73)	(0.57)	10.69	17.81
Diluted (Rs./share)	(0.73)	(0.57)	10.69	17.81
Book value (Rs./share)	40.69	41.40	41.89	31.30
Net worth	20,346.76	20,702.09	20,945.61	15,647.77

Client Profile or Industries Served: Agricultural industry and Construction industry

Revenue segmentation in terms of top 5/10 clients or Industries:

Bengal Agro Machinery Corporation- 3.3% - INR 29,11,03,016
K.T. Tractors- 2.6%- INR 22,67,92,117
Kumar Agencies Corporation- 2.2% - INR 19,89,17,902
Koshal Agro Agencies- 1.6% INR 14,09,30,301 Sai Durga Mechanisation Pvt. Ltd. – 1.4% INR 12,7382,306



Intellectual Property, if any: Not Applicable
Market Share: 2.5%
Manufacturing plant, if any: 2 Assembly units (1 in Chennai and 1 in Pune)
Employee Strength: 418 as on June 30, 2023

BOARD OF DIRECTORS OF KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED

Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1.	Mr. Bharat Madan Address: Flat no. 1201, Tower 7, The Close South, Nirvana Country, Sector 50, Gurgaon, Haryana- 122018	Director	B. Com (H), FCA Over 35 years	Indian Companies:5 1) Escorts Kubota Limited 2) Escorts Crop Solutions Limited 3) Adico Escorts Agri Equipments Private Limited 4) Escorts Kubota India Private Limited 5) Escorts Dealers Development Association Limited Foreign Companies: 1 1) Farmtrac Tractors Europe Sp. Z.o.o Non-Profit organisation/Trust/Companies:2 1) EKL CSR Foundation 2) Escorts Benefit Trust
2.	Mr. Shintaro Seshimoto Address: Flat No. H-24, Park Heights, The Park Place, DLF City, Gurgaon, Haryana.	Whole Time Director	Bachelor of Arts in Foreign Studies 25 years	Indian Companies:Nil Foreign Companies:Nil
3.	Mr. Harish Lalchandani Address: A2-112, Shobha Quartz, Outer Ring Road, Bellandur, Bengaluru-560103	Director	Mechanical Engineer & Master's in Management Studies Over 20 Years	Indian Companies:3 (1. Adico Escorts Agri Equipments Private Limited (2. Kavvedh Solutions Private Limited (3. Escorts Dealers Development Association Limited Foreign Companies:Nil
4.	Mr. Gurmeet Singh Grewal Address: K-901, Laburnum Park, Magarpatta City, Behind Seasons	Managing Director	B.Tech (Agricultural Engineering) and Senior	Indian Companies: Nil Foreign Companies: Nil



Kubota Agricultural Machinery India Pvt. Ltd.

Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
	Mall, Pune City, Hadapsar, Pune, Maharashtra		Management Program(SMP) from IIM-C 32 Years	
5.	Mr. Hisakazu Kitanobo Address: 3-6-1, Shigino-higashi, Osaka City, Jotoku, Osaka, Japan-5360013	Director	Bachelor's degree from Osaka University of Economics 25 Years	Indian Companies: Nil Foreign Companies: Nil

OBJECTS OF THE ISSUE/ RATIONALE OF THE SCHEME

The rationale for the Scheme is, *inter alia*, as follows:

(i) The Amalgamated Company proposes to enter into the 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.

(ii) The management of the respective Companies (as defined hereinafter) are of the view that the amalgamation proposed in this Scheme is, in particular, expected to have the following benefits:

(a) Reduction in management overlaps and reduction of legal and regulatory compliances and associated costs due to operation of multiple companies.

(b) Optimization of the allocated capital and availability of funds which can be deployed more efficiently to pursue the operational growth opportunities.

(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.

(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.

(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.

Details of means of finance: Not Applicable

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds in past public issues/rights issue, if any, of the Company in the preceding 10 years: Not Applicable

Terms of Issuance of convertible Security, if any: Not Applicable

Name of monitoring agency, if any: Since there is no issue of equity shares to the public at large except to the existing shareholders of Demerged Company, pursuant to the Scheme, the appointment of a monitoring agency is not required.

Pre-scheme and Post Scheme Shareholding Pattern of the Company:



Kubota Agricultural Machinery India Pvt. Ltd.

Equity Shares			
Sr. No.	Particulars	Pre-Scheme number of shares	Pre-Scheme % Holding
1.	Promoter & Promoter Group	5,00,00,000	100.00
2.	Public	NIL	NIL
	Total (A+B)	5,00,00,000	100.00

Number/ amount of equity shares proposed to be sold by selling shareholders, if any: **Not Applicable**

Post Merger with Escorts Kubota Limited, Company would cease to exist thus Post Shareholding Pattern of Company would be : **NIL**

RESTATED STANDALONE AUDITED FINANCIALS

Particulars	(Rs. In Lakhs)			
	As on June 30, 2023 (basis Limited Review Financials)	March 31, 2023	March 31, 2022	March 31, 2021
Revenue from operations	46,037.76	2,05,453.97	1,80,547.52	1,51,331.30
Total income	46,461.48	2,06,793.48	1,82,155.33	1,54,503.22
Net Profit / (Loss) before tax and extraordinary items	(469.99)	(333.91)	7,246.64	12,013.22
Net Profit / (Loss) after tax and extraordinary items	(365.49)	(284.18)	5,343.21	8,917.58
Equity Share Capital	5,000.00	5,000.00	5,000.00	5,000.00
Other Equity	15,346.76	15,702.09	15,945.61	10,647.77
Net worth	20,346.76	20,702.09	20,945.61	15,647.77
Basic & diluted earnings per share (Rs.)	(0.73)	(0.57)	10.69	17.81
Return on net worth (%)	(1.80)	(1.37)	25.51	56.99
Net Asset Value Per Share (Rs.)	40.69	41.40	41.89	31.30

Consolidated: NA

Particulars	(Rs. in Lakhs)			
	As on June 30, 2023	March 31, 2023	March 31, 2022	March 31, 2021
Total income from operations (net)	NA	NA	NA	NA
Net Profit / (Loss) before tax and extraordinary items	NA	NA	NA	NA
Net Profit / (Loss) after tax and extraordinary items	NA	NA	NA	NA
Equity Share Capital	NA	NA	NA	NA
Reserves and Surplus	NA	NA	NA	NA
Net Worth	NA	NA	NA	NA
Basic earnings per share (Rs.)	NA	NA	NA	NA



Kubota Agricultural Machinery India Pvt. Ltd.

Diluted earnings per share (Rs.)	NA	NA	NA	NA
Return on Net Worth (%)	NA	NA	NA	NA
Net asset value per share (Rs.)	NA	NA	NA	NA

INTERNAL RISK FACTORS

1. The Scheme for Amalgamation is subject to the conditions / approvals as envisaged under the Scheme and any failure to receive such approvals will result in non-implementation of the Scheme and may adversely affect the shareholders.
2. Any non-compliance with the regulatory laws of the land may lead to penalties and fines.
3. Equity Shares to be issued pursuant to the Scheme shall be listed on Stock Exchanges, which would be subject to approvals from the said Stock Exchange(s) and other necessary compliance. In the event that these approvals are delayed, the listing of the equity shares may get impacted.

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the company and amount involved

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigations	Aggregate amount involved (Rs in Crores)
Company						
By the Company	7	15	Nil	Nil	1	41.64
Against the Company	2	1	Nil	Nil	18	20.22
Directors						
By our Directors	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	Nil	Nil	Nil	Nil
Promoters						
By Promoters	2	146	2	Nil	0	328.37
Against Promoters	2	39	1	Nil	51	1,876.75
Subsidiaries						
By Subsidiaries	Not Applicable	[Not Applicable]	Not Applicable	Not Applicable	Not Applicable	Not Applicable



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Against Subsidiaries	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
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**To the extent quantifiable*
The said details of outstanding litigations are as on August 31, 2023

B. Brief details of top 5 material outstanding litigations against the company and amount involved-

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
Nil				

C. Regulatory Action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any
 There is no such action.

D. Brief details of outstanding criminal proceedings against Promoters

Criminal Proceedings (by Promoters)
CRL.A. 801/2007: The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/292/2003 dated 8 December 2003, imposed a penalty of Rs. 1,00,00,000/- on the Company on account of violation of Section 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture company of the Company, for providing operational services of VSAT equipment instead of undertaking manufacturing activities. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the before the Hon'ble High Court of Delhi – reference no. CRL.A. 801/2007.

CRL.A. 799/2007: The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/291/2003 dated 8 December 2003, imposed a penalty of Rs. 5,00,000/- on the Company on account of violation of Section 19(1)(a), 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture company of the Company, for making outward remittance of foreign exchange equivalent to Rs 19,12,499/- to its non-residents shareholders out of the earnings arising out of the services provided by Hughes Escorts Communication Limited. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the Company before the Hon'ble High Court of Delhi – reference no. CRL.A. 799/2007.

Criminal Proceedings (against Promoters)
CRR No. 567 of 2022: This is a Criminal Revision filed by one Mr. Naval Singh in which the Company has also been arrayed as one of the eight parties. Mr. Naval Singh alleges that he had purchased a new Tractor and the same was financed by Respondent No. 1 i.e. Kotak Mahindra Bank. He further alleges that 5-6 people representing the Respondent No. 3 i.e. Bank of Baroda arrived at his field and repossessed the tractor. He also alleges that the Respondent No. 6 i.e. RTO Officer changed the engine number and even after this fraud was reported to Respondent No. 7 i.e. Bilkheria Police Station, no action was taken by the police. He further states that when he wrote a letter to Respondent No. 8 i.e. Escorts Kubota Ltd. seeking the actual engine and chassis number, no response was provided. He alleges that all the Respondents in collusion with each other have cheated him and therefore he seeks to set aside the lower court order.

Private Complaint No. 106 of 2017: In a complaint filed before the Judicial Magistrate First Class, Gadag, the complainant stated itself to be a partnership firm appointed as an authorized Distributor of the Company. It is alleged by the complainant that it was advised by the Company to supply tractors on credit basis to three dealers who were already in debt with the Company. It was further alleged that upon sale of tractors by complainant, the company took the payments and adjusted towards its debts. It is alleged that the Company in collusion with the other officials have cheated the Complainant by receiving dues from the three dealers through the Complainant and have intentionally caused loss to the Complainant and hence, are liable to be prosecuted under various sections of IPC.



Kubota Agricultural Machinery India Pvt. Ltd.

ANY OTHER MATERIAL INFORMATION OF KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED: NIL

DECLARATION BY KUBOTA AGRICULTURAL MACHINERY INDIA PRIVATE LIMITED

We hereby declare that all relevant provisions of the Companies Act, 2013 and the guidelines/ regulations issued by the Government of India or the guidelines/ regulations issued by the Securities and Exchange Board of India, established under section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Disclosure Document is contrary to the provisions of the Companies Act, 2013, the Securities and Exchange Board of India Act, 1992 or rules made or guidelines or regulations issued there under, as the case may be. We further certify that all statements in this Disclosure Document are true and correct.



For Kubota Agricultural Machinery India Private Limited

Kumud Maheshwari
Company Secretary
M. No. A21264

Date: October 21, 2023
Place: Chennai



D & A FINANCIAL SERVICES (P) LIMITED

Merchant Banking & Corporate Advisory Services

To
Kubota Agricultural Machinery India (P) Ltd
18/4, Mathura Road, Faridabad – 121007
Haryana, India

Date: 21st October, 2023

Subject: Compliance Report with respect to Abridged Prospectus in Compliance with requirement of Regulation 37 of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 read with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023 in terms of Scheme of Amalgamation of Escorts Kubota India Private Limited ("Amalgamating No. 1) and Kubota Agricultural Machinery India Private Limited ("Amalgamating No.2) with Escorts Kubota Limited ("Amalgamated Company") and their respective shareholders and creditors under Section 230 to 232 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder ("Scheme")

Dear Sir/s,

We, M/s D & A Financial Services (P) Limited, SEBI registered Merchant Banker, having SEBI Registration No. INM000011484 have been appointed by Escorts Kubota Limited to provide a compliance report with respect to adequacy and accuracy of disclosure(s) made in the Abridged Prospectus with respect to Kubota Agricultural Machinery India (P) Ltd, under the Scheme as stated above.

Scope and Purpose of the Compliance Report

Pursuant to the requirements of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023, a Compliance Report has to be obtained from an Independent Merchant Banker on the information disclosed in Abridged Prospectus in line with information required to be disclosed as per Part E of Schedule VI of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").

The purpose of the report is to inform the Shareholders and/or Creditors (Secured and Unsecured) about the details of the unlisted company to the extent applicable, involved in the scheme in line with the information required to be disclosed in line with Part E of Schedule VI of ICDR Regulations.



H.O. & Regd. Office: 13, Community Centre, 2nd Floor, East of Kailash, New Delhi-110065 (India)

Phone: +91 11 41326121, 40167038

E-mail: investors@dnafinserv.com, compliance@dnafinserv.com, valuation@dnafinserv.com, contact@dnafinserv.com

Website: www.dnafinserv.com, Branch Office : Mumbai

CIN : U74899DL1981PTC012709

Sources of the Information

We have received the following information from the management and other related parties of the Company:

1. Proposed Scheme of Amalgamation and Arrangement.
2. Abridged Prospectus dated 21st October, 2023 prepared in accordance with SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 30th June, 2023.
3. Information/documents/undertakings etc. provided by management and other related parties of company pertaining to disclosures made in Abridged Prospectus.

Disclaimer: This Report is intended solely for the limited purpose mentioned earlier and should not be regarded as a recommendation to the investors to invest in the Company or deal in any form in the securities of the companies.

We have assumed that the documents/information provided to us in this respect, wherever required for the purpose of disclosures in Abridged Prospectus is complete in all respects.

This report is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, statute, act guideline or similar instruction. The Management or related parties of Company are prohibited from using this report other than for its sole limited purpose and not to make a copy of this report available to any party other than those required by statute for carrying out the limited purpose of this report.

In no circumstances whatsoever, will D & A Financial Services (P) Limited, its Directors and Employees accept any responsibility of liability towards any third party for consequences arising out of the use of this report.

Compliance Report

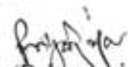
We in the capacity of SEBI registered Merchant Banker do hereby certify that the information as disclosed in the Abridged Prospectus dated 21st October, 2023, is in line with disclosures required to be made as per Part E of Schedule VI of ICDR Regulations, to the extent applicable with respect to unlisted company i.e Kubota Agricultural



Machinery India (P) Ltd and the disclosures made with respect to Kubota Agricultural Machinery India (P) Ltd are accurate and adequate to the extent applicable.

Thanking You

For **D & A Financial Services (P) Limited**



(Priyaranjan)

Vice President/Authorized Signatory



SEBI Registration No. INM000011484

Place: New Delhi

Details of ongoing adjudication and recovery proceedings, prosecutions initiated and other enforcement actions against the Transferee Company

Income Tax Litigations

- The Transferee Company has ongoing disputes with income tax authorities relating to tax treatment of certain items. These mainly include disallowance of expenses, tax treatment of certain expenses claimed by the Transferee Company as deduction, eligibility of the Transferee Company's claim of certain tax benefits, etc.
- The details of significant tax demands are as below -
 - a. Penalty demand of INR 1.13 crore was issued against the Transferee Company with regard to certain disallowances upheld by the ITAT. Part amount deposited by the Company under protest. Transferee Company has filed appeal against the penalty order with the Commissioner (Appeal).
 - b. Tax demand of INR 18.45 crore (part demand deposited by Company under protest) is pending against the Transferee Company on account of the extinguishment of liability towards sundry creditors. Transferee Company has filed appeal against the assessment order (remand back by the ITAT) with the Commissioner (Appeal)
- There are certain tax appeals pertaining to previous years which are pending at various forums viz CIT(A)/ITAT/HC/SC. In majority of the cases issues have been decided in the favour of the Company. Company has a good case to defend before the higher appellate authorities. In view thereof, Company has shown such liabilities under the head 'Contingent Liability' in its financials. As on 31st March 2023, total contingent liability of the Company is approx. INR 63.39 crore.

Customs, Central Excise, Service Tax and GST -

- As at 31st May 2023, there were pending litigations for various matters relating to Customs, Central Excise, Service Tax and GST involving demands of INR 486.67 crores (March 31, 2023 – INR 485.90 crores and March 31, 2022: INR 484.06 crores)
- Details of significant demands are as under -
 - The company is engaged in the manufacture of exempted and dutiable goods. The tax in respect of exempted goods has been paid at 5%/6% (applicable rate) on clearance value of exempted goods. Tax authorities have denied the CENVAT credit in respect of Common Inputs and Input services utilized for manufacturing and alleged that the activities undertaken by the company do not amount to manufacturing.
 - Further, there is demand on account of the Common registration issue wherein it has been alleged that goods have been cleared within the units of Company without payment of Excise duty on clearance of the goods and CENVAT credit in relation to the same.

Sales Tax/VAT -

- As at 31st May 2023, total sales tax/VAT demands that are being contested amounted to INR 101.65 crores (March 31, 2023 – INR 101.65 crores and March 31, 2022 – INR 104.56 crores)

Other Significant Litigations

- i) The Transferee Company is contesting consumer matters, civil matters, IPR matters, arbitration matters, MACT matters, labour matters and also facing prosecutions under various statutes in the normal course of business. Some of the significant prosecution matters against the Transferee Company are as under:
 - a) Suo Moto Case No. 03 of 2012 – The Competition Commission of India ("CCI") found the Transferee Company to have engaged in price fixing and bid rigging in a tender for supply of feed valves in contravention of section 3(1) of the Competition Act, 2002. The CCI directed the Transferee Company to cease and desist from the anti-competitive conduct and imposed a penalty of Rs. 54.70 crore. The Transferee Company filed an appeal against the CCI order before Competition Appellate Tribunal ("COMPAT") (Appeal No. 13 of 2014), in which the COMPAT allowed the appeal and set aside the penalty imposed by the CCI. The CCI has filed an appeal (Civil Appeal no. 5993 of 2016) against the order of the COMPAT in Appeal No. 13 of 2014, before the Supreme Court. The matter is currently pending at the Supreme Court;



- b) The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/292/2003 dated 8 December 2003, imposed a penalty of ₹ 1,00,00,000 on the Transferee Company on account of violation of Section 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture company of the Transferee Company, for providing operational services of VSAT equipment instead of undertaking manufacturing activities. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the Transferee Company before the Hon'ble High Court of Delhi; and
- c) The Special Director of Enforcement vide its adjudication order No. SDE (SKP) III/291/2003 dated 8 December 2003, imposed a penalty of ₹ 5,00,000 on the Transferee Company on account of violation of Section 19(1)(a), 19(1)(d) and 29(1)(b) read with section 49 of FERA, by Hughes Escorts Communication Limited, a joint venture company of the Transferee Company, for making outward remittance of foreign exchange equivalent to ₹ 19,12,499 to its non-residents shareholders out of the earnings arising out of the services provided by Hughes Escorts Communication Limited. The Appellate Tribunal for Foreign Exchange upheld the penalty imposed which has been appealed by the Transferee Company before the Hon'ble High Court of Delhi.

Details of ongoing adjudication & recovery proceedings, prosecution initiated, and all other enforcement action taken against the Promoters and directors of the Transferee Company

- i) Mr. Nikhil Nanda, Promoter of the Company, has been made a party in few consumer matters, civil matters and is also being prosecuted in two criminal matters, in the normal course of business. Based on legal advice we don't foresee any financial or criminal liability being fastened on Mr. Nikhil Nanda in any of the matters.
- ii) 4 civil suits are pending in the US against Kubota Corporation Japan (Joint Promoter of Transferee Company) pertaining to its product liabilities. This suit claims, *inter alia*, damages in the estimated sum of USD 1.6 million for the alleged loss caused to the plaintiffs on account of use of its products. While Kubota Corporation is in efforts for the settlement of an estimated product liability case of USD 1 million, remaining 3 cases are still under investigation. Kubota Corporation is defending itself appropriately in accordance with the law.
- 43 asbestos-related lawsuits are ongoing in Japan and the total claims for compensation related to 662 construction workers who suffered from asbestos-related diseases aggregate to ¥ 23,070 million. The company continues to review the status of lawsuits, including consultation with a third-party legal counsel regarding the progress of lawsuits and the likely final outcome. However, the company believes that it is currently unable to predict the ultimate outcome of lawsuits.
- iii) There are 16 civil cases which have been filed by the customers of Hero Realty Pvt. Ltd. in Consumer Courts / LokAdalats / Real Estate Regulatory Authority against the Hero Realty Pvt. Ltd. and / or its Directors, where Mr. Sunil Kant Munjal is Director, mainly for refund of amount and / or interest on delay in handing over the possession, etc.

For ESCORTS KUBOTA LIMITED


SATENDRA CHAUHAN
Company Secretary

Illustrative merged financials of Escorts Kubota Limited (EKL)^A as per pooling of interest method
as on 1st April 23

(INR Crores)

S.No.	Particulars	Escorts Kubota Limited	Escorts Kubota India Private Limited	Kubota Agricultural Machinery India Private Limited	Merged Financials (EKL)#
Assets:					
Non-Current Assets					
1	Plant, Property and Equipment, Intangible assets, Capital Work in Progress, Intangibles under development, Investment Properties and Right of Use Assets	2,001.99	242.58	64.33	2,298.92
3	Financial Assets				
	Investments	3,235.63	-	-	3,235.63
	Others	6.42	1.50	6.13	14.05
4	Deferred Tax Assets	-	-	18.11	18.11
5	Income Tax Assets	0.28	1.07	10.87	12.22
6	Other Non-Current Assets	196.33	16.21	0.56	213.10
Current Assets					
7	Inventories	1,159.04	84.96	284.94	1,528.94
8	Financial Assets				
	Investments	1,794.93	-	-	1,584.93
	Trade Receivable	1,207.57	142.17	197.66	1,416.26
	Cash & Cash Equivalents & Other Bank Balances	468.48	0.62	257.95	727.04
	Other Financial Assets	19.35	2.64	12.02	33.45
9	Other Current Assets	200.59	137.60	37.07	374.15
10	Assets held for sale	17.54	-	-	17.54
	Total	10,308.14	629.35	889.64	11,474.35
Liabilities:					
Equity					
1	Equity Share Capital	131.94	300.00	50.00	133.32
2	Other equity				
	Retained Earnings and Other Reserves	8,302.87	(141.93)	157.02	8,316.61
	Capital Reserve (on account of merger)	-	-	-	143.06
Non-Current Liabilities					
3	Borrowings	-	73.56	-	73.56
4	Lease Liabilities and other Financial Liabilities	71.86	6.34	28.11	102.16
5	Provisions	41.76	8.46	12.07	62.29
6	Deferred Tax Liabilities (Net)	65.12	-	-	65.12
7	Others Non-current Liabilities	7.92	-	-	7.92
Current Liabilities					
7	Financial Liabilities				
	Borrowings	-	144.51	-	144.51
	Trade Payables	1,232.87	175.30	580.57	1,857.04
	Lease Liabilities and Other Financial Liabilities	127.46	18.49	34.86	170.78
8	Other current Liabilities	220.56	1.99	6.92	229.47
9	Provisions	103.62	42.64	20.09	166.35
10	Current tax Liability (Net)	2.15	-	-	2.15
	Total	10,308.14	629.35	889.64	11,474.35

^A Above illustrative financial statement are based on the accounting treatment proposed in the Scheme. This is subject to verification and confirmation by the Auditor of the Company

Represents post amalgamation balances after inter company eliminations and adjustments pursuant to proposed scheme of amalgamation

Note

Please note that EKL had filed a Scheme of Capital Reduction with the Hon'ble Chandigarh NCLT (The Tribunal) wherein 2,14,42,343 equity shares of the Company (recorded as non-current investment in the books of the Company amounting to INR 198,04,23,438) shall be cancelled, with corresponding adjustments by way of debit to: (i) the outstanding paid-up equity share capital for INR 21,44,23,430 and (ii) the securities premium account of the Company for INR 176,60,00,008.

The said Scheme has been approved by the Tribunal vide its order dated May 25, 2023 ("Order"). The scheme became effective upon filing of the certified copy of the order of the Tribunal sanctioning this Scheme and the minute of reduction with the RoC on May 29, 2023.

For the purposes of above illustrative merged financials, we have not considered the impact of Capital Reduction since the Scheme is currently pending for approval before the Hon'ble Chandigarh NCLT. Once the Scheme is approved, share capital account along with securities premium account and investment would be reduced as aforementioned from the effective date of the scheme.

Illustrative merged profit and loss account of Escorts Kubota Limited (EKL) for the year ended March 31, 2023[^]

(INR Crores)

Particulars	Escorts Kubota Limited	Escorts Kubota India Private Limited	Kubota Agricultural Machinery India Private Limited	Merged P&L (EKL)#
Revenue from Operations	8,344.95	975.56	2,054.54	10,513.63
Other Income	280.56	1.11	13.40	284.93
Total Income	8,625.51	976.67	2,067.93	10,798.55
Material Cost	6,066.93	821.66	1,881.88	7,921.36
Personnel Cost	594.97	33.96	62.77	692.27
Finance Cost	10.26	14.22	5.55	28.51
Depreciation & Amortisation	148.43	41.87	21.58	204.63
Other Cost	902.62	74.78	99.48	1,064.00
Total Expenses	7,723.22	986.48	2,071.27	9,910.77
Profit before tax before exceptional items	902.29	(9.81)	(3.34)	887.78
Exceptional Cost	97.16	-	-	97.16
Profit before tax after exceptional items	805.13	(9.81)	(3.34)	790.63
Tax Expenses	198.16	-	(0.50)	197.66
Net profit for the period	606.97	(9.81)	(2.84)	592.96

[^] Above illustrative profit and loss account is subject to verification and confirmation by the Auditor of the Company

Represents post amalgamation numbers after inter company eliminations and adjustments (unaudited).



Escorts Kubota Limited

ESCORTS KUBOTA LIMITED

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