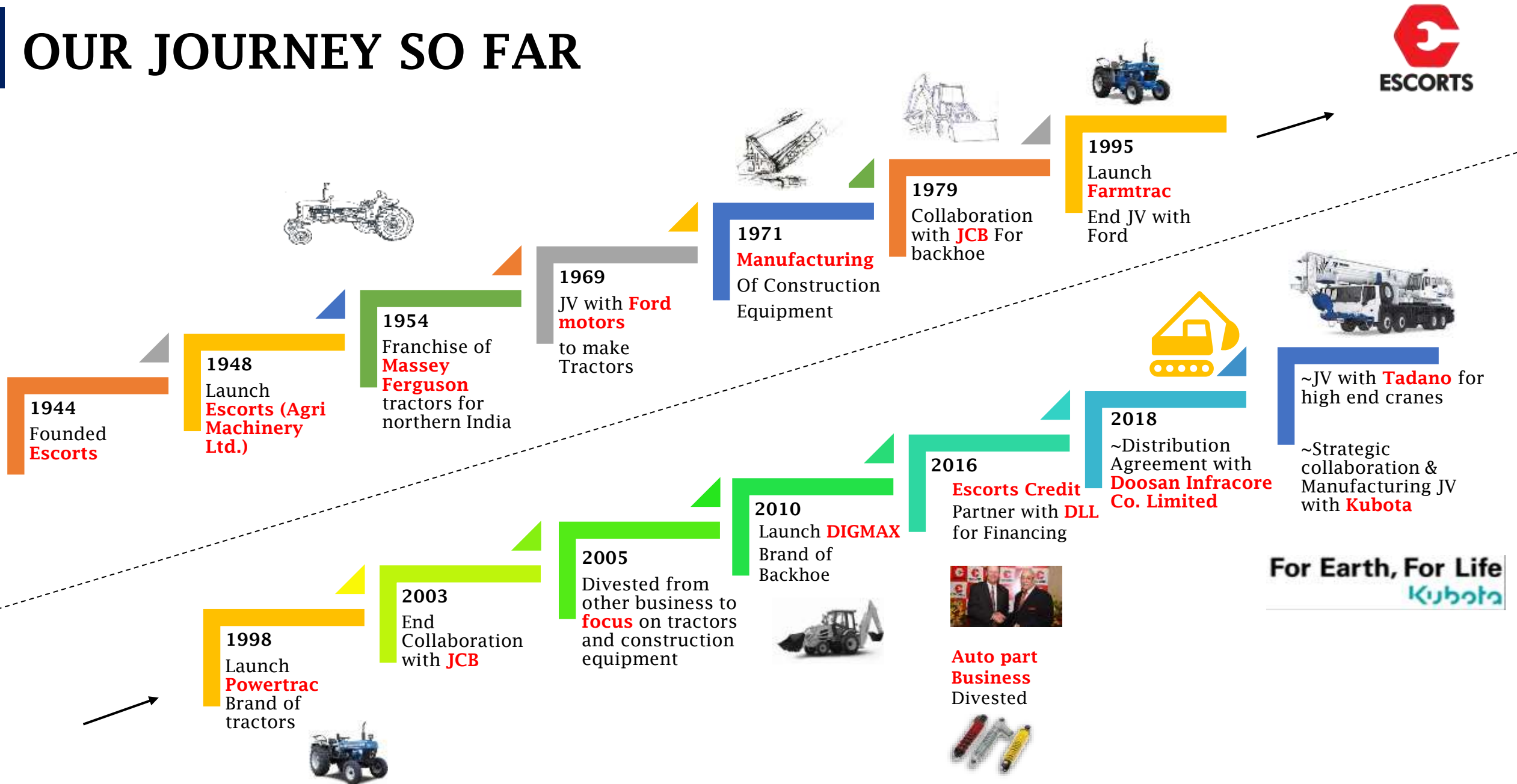


# INVESTOR PRESENTATION

November 2021

# OUR JOURNEY SO FAR



# VISION, MISSION & VALUES



## VISION

### TO BE AMONG TOP ENGINEERING COMPANIES IN INDIA

Through the power of imagination in engineering we create solutions that help our customers be more productive.

## MISSION

### TO BE AN INTEGRATED SOLUTION PROVIDER

To our customers by harnessing emerging future technologies and information to add value at every stage of customer need.

## CORE VALUES

RESPECT FOR  
PEOPLE

EMPOWERMENT

TRANSPARENCY

COLLABORATION

## STRATEGIC VALUES

CUSTOMER  
CENTRICITY

INNOVATION

EXCELLENCE

AGILITY

# OUR CURRENT BUSINESSES



Total income FY21: ₹ 7,083.9 Cr.  
H1FY22: ₹ 3,333.8 Cr.

## Escorts Agri Machinery



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

Revenue FY21: ₹ 5,667.3 Cr.  
H1FY22: ₹ 2,652.4 Cr.

## Escorts Construction Equipment



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

Revenue FY21: ₹ 776.1 Cr.  
H1FY22: ₹ 390.0 Cr.

## Railway Equipment Division



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

Revenue FY21: ₹ 479.0 Cr.  
H1FY22: ₹ 289.6 Cr.

**ESCORTS is one of India's leading engineering conglomerates and for over Seven decades it has helped accelerate India's socio-economic development through its presence across the high growth sectors of Agri-machinery, Construction & Material Handling Equipment and Railway Equipment.**



# MANUFACTURING FACILITIES



## **Escorts Agri Machinery (EAM)**

Three Plants: Farmtrac, Powertrac & Components with a current production capacity of **120,000** + tractor p.a.

Poland Plant: 100% subsidiary having an installed capacity of **2,500** tractor p.a.

50,000 capacity Manufacturing Plant under JV with Kubota

## **Escorts Construction Equipment (ECE)**

State of the art manufacturing and assembly facility sprawling 60,702 sq.m. of space with a capacity of **10,000** units p.a.

## **Railway Equipment Division (RED)**

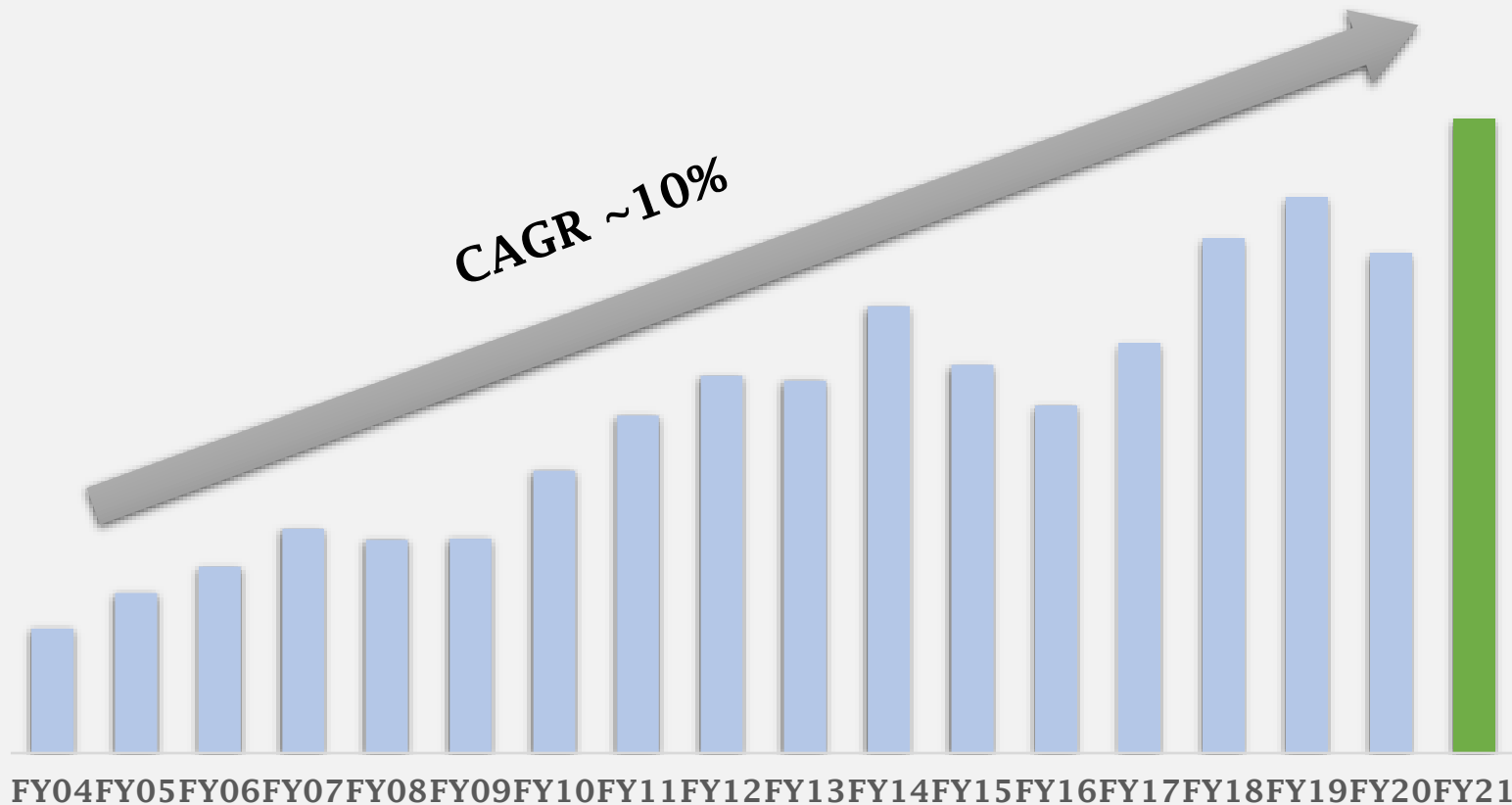
State of the art manufacturing facility sprawling 55,609 sq.m. with capacity to produce 9,600 AARH couplers, 2,580 SHAKU couplers, 18,000 air brakes 1,500 EP brakes and 9,99,996 brake blocks annually

# Segment Performance : EAM



**Powering The Dreams Of Farmer**

# ↑ DOMESTIC TRACTOR INDUSTRY



Increasing Trend towards Mechanisation

Minimum Support Prices for Key Crops

Scarcity of Labour

Ease of Credit Availability from Govt.

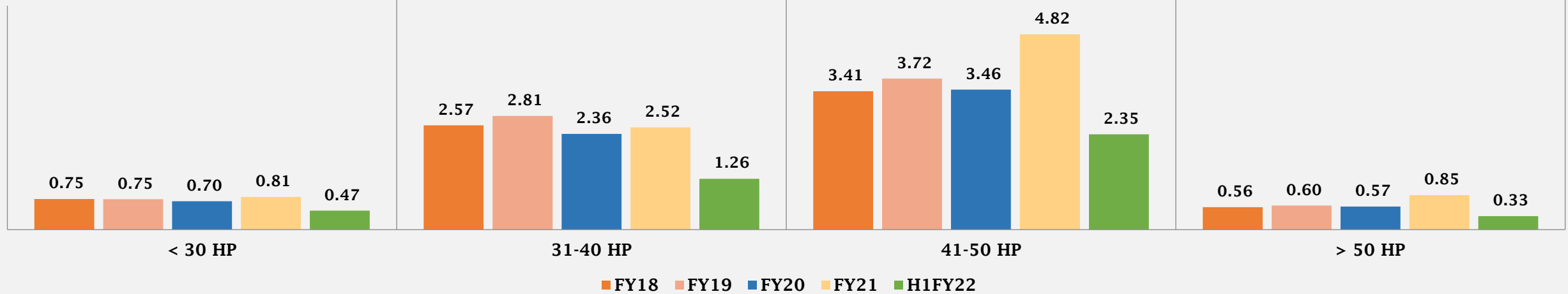
- ❖ India is the **largest** manufacturer of farm equipment
- ❖ India accounts for nearly **1/3<sup>rd</sup>** of the overall tractor production globally
- ❖ **0.9 million** units in **FY21** and reach to approx. **1.2-1.5 million** units by **2030**
- ❖ Customer exchange their tractor in every **4-6 years** in mature markets.



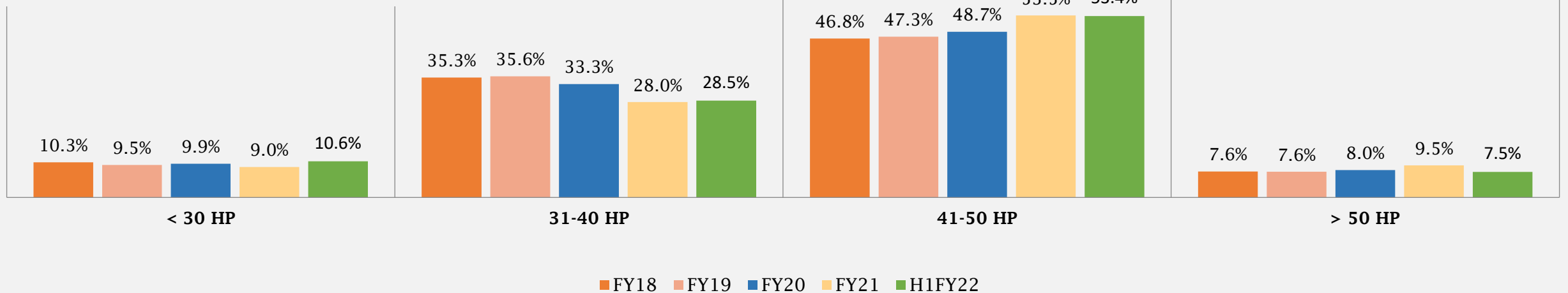
# Domestic Industry Segmentation



Industry Segment Volume (in lakh)



Industry Segment in %

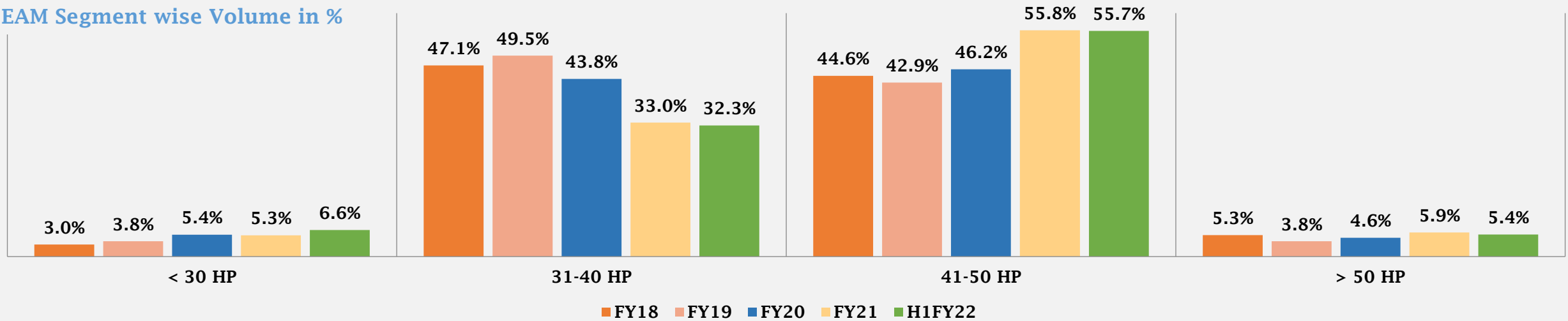




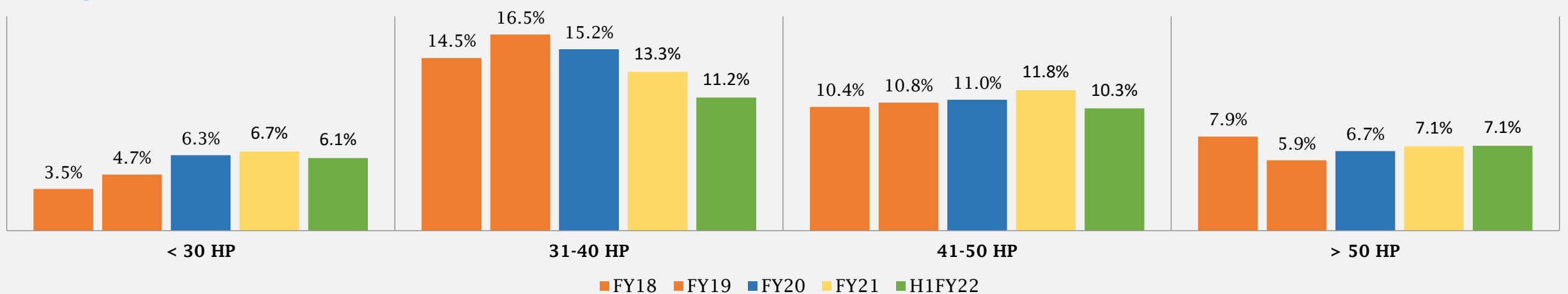
# EAM SEGMENTATION



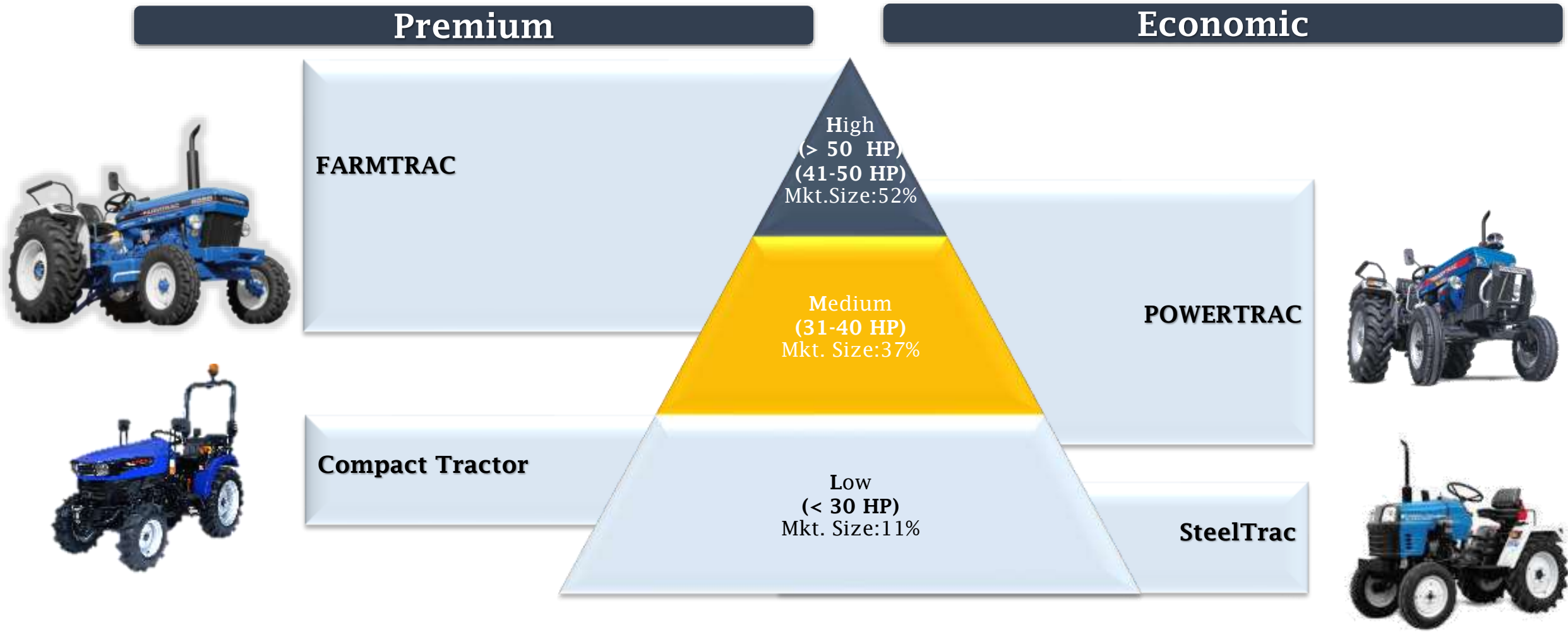
EAM Segment wise Volume in %



EAM Segment wise Market Share in %



# HOW WE ARE POSITIONED



# Expanded Product Lineup: 11 to 120 HP



HP Range

< 30 HP

31-40  
HP

41-50  
HP

51-90  
HP



Best selling Compact range for Vineyard & Orchards



Utility range of Champion and Diesel Saver series



This Highest growth segment is complemented with Smart & Classic and Euro series



Successful launch of PowerMaxx series tractors FT 6090

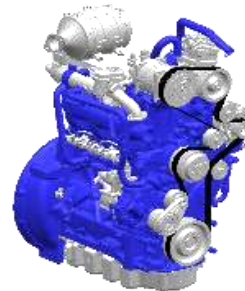


Up To  
120 HP



Higher Horsepower Agricultural Tractors for Bigger farm size suitable to need of esteemed farmers

## Technology Leadership



### Engines

26 to 110 hp

Complying current & future emissions of India, EU & USA BS4, Stage 5, Tier 4

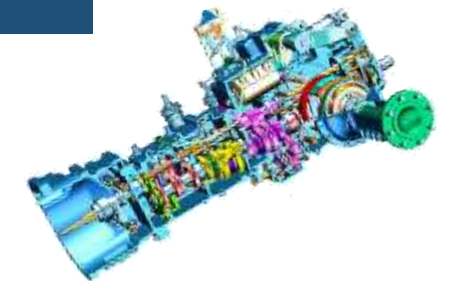
### Driveline

22 to 90 HP

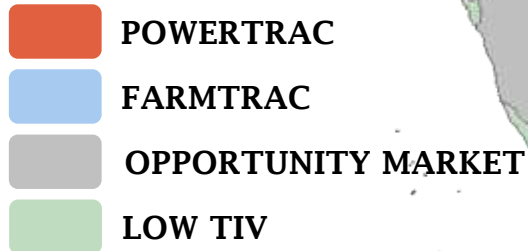
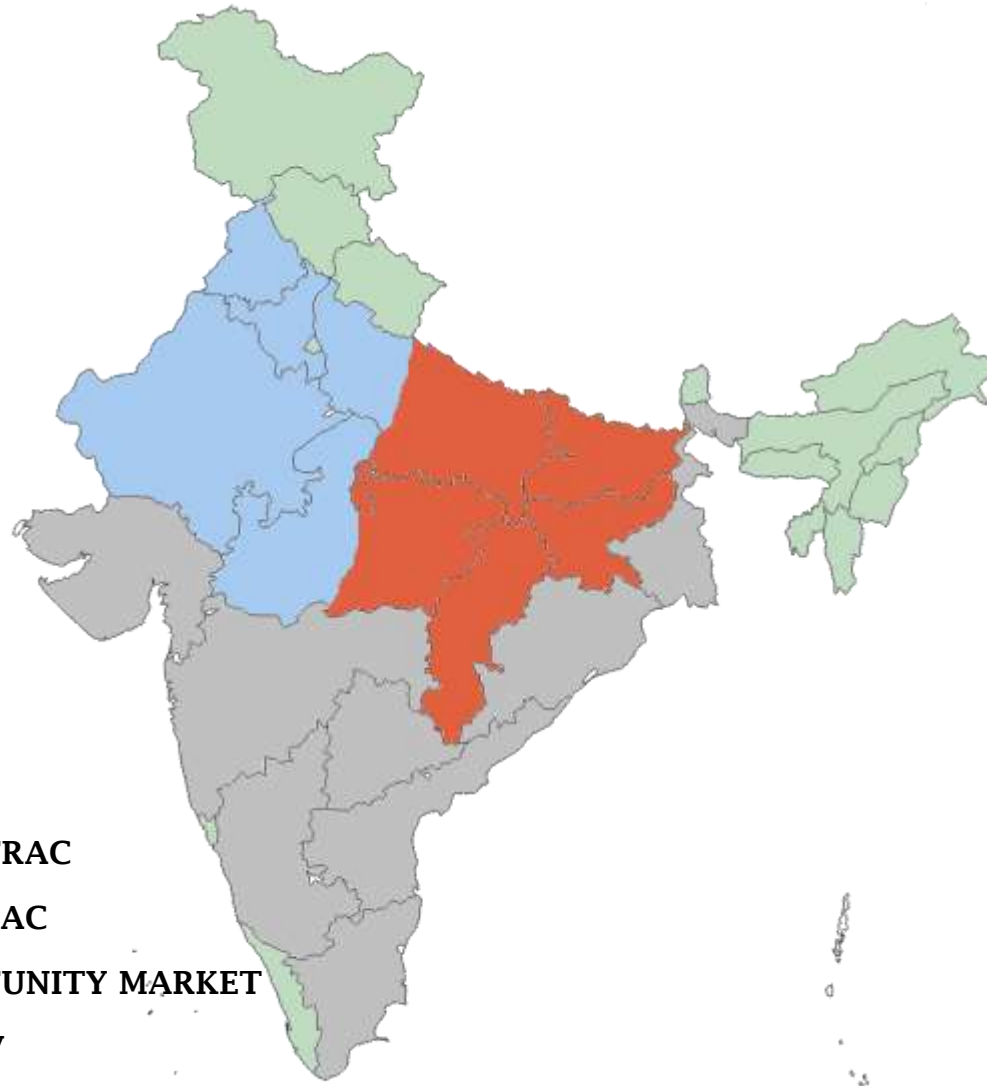
#### Transmissions:

Constantmesh, Synchromesh, Shuttle, HST

Hydraulic lifts: 1,000kg to 3,000kg capacity



# WINNING MARKET



- ① Strong Market, Strong Brand
- ② Strong Market, Weak Brand
- ③ Opportunity Market

**Current 1,100+ Active Dealer Network**



# INGREDIENTS FOR GROWTH



## Brand led Product Portfolio Expansion

Farmtrac  
Powertrac  
Steeltrac



## Dual Distribution in Strong Market

Strong Brand Coverage: 90 → 99%  
Weak Brand Coverage: 33 → 80%



## South/West Focus

Channel Extension  
Compact tractor  
Rice tractor



## Various Finance Tie-ups



## Scientific Sales Management



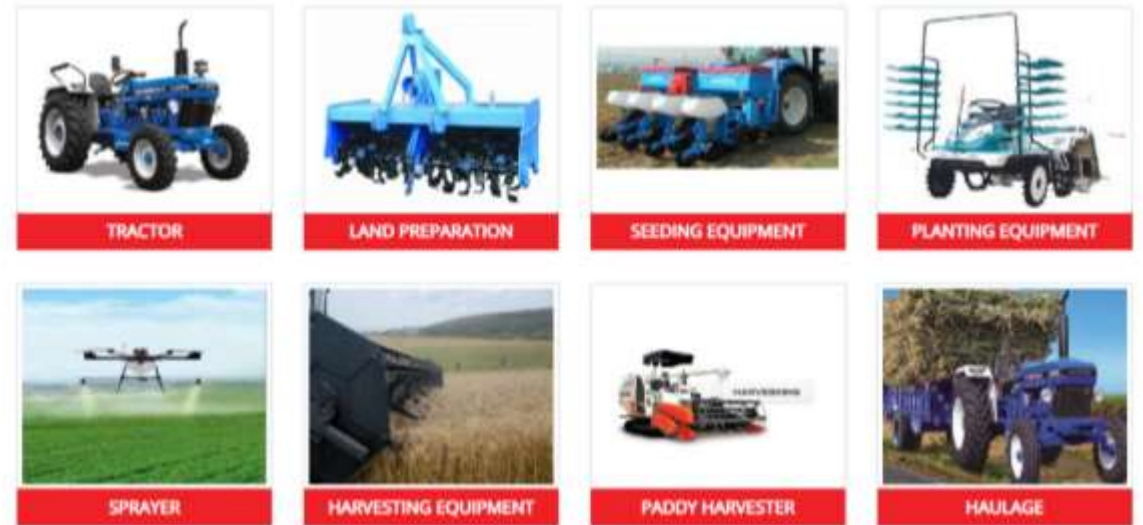
## Customer Centricity

Care Button  
ETC  
Mobile Vans  
Hotline  
[www.digitrac.in](http://www.digitrac.in)



 **CARE - 24X7**









# INDIA'S FIRST ONLINE TRACTOR PLATFORM

ADVANCED. CONVENIENT. TRANSPARENT.

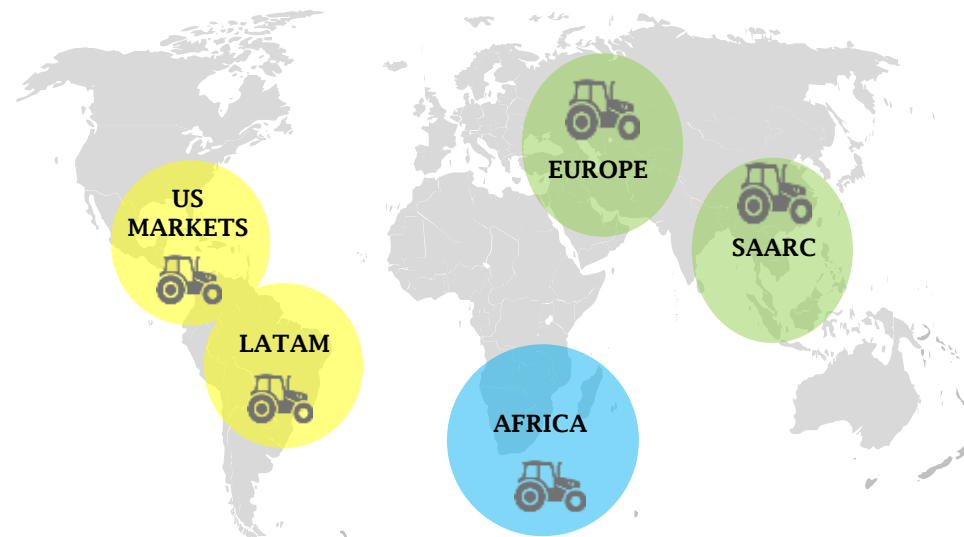
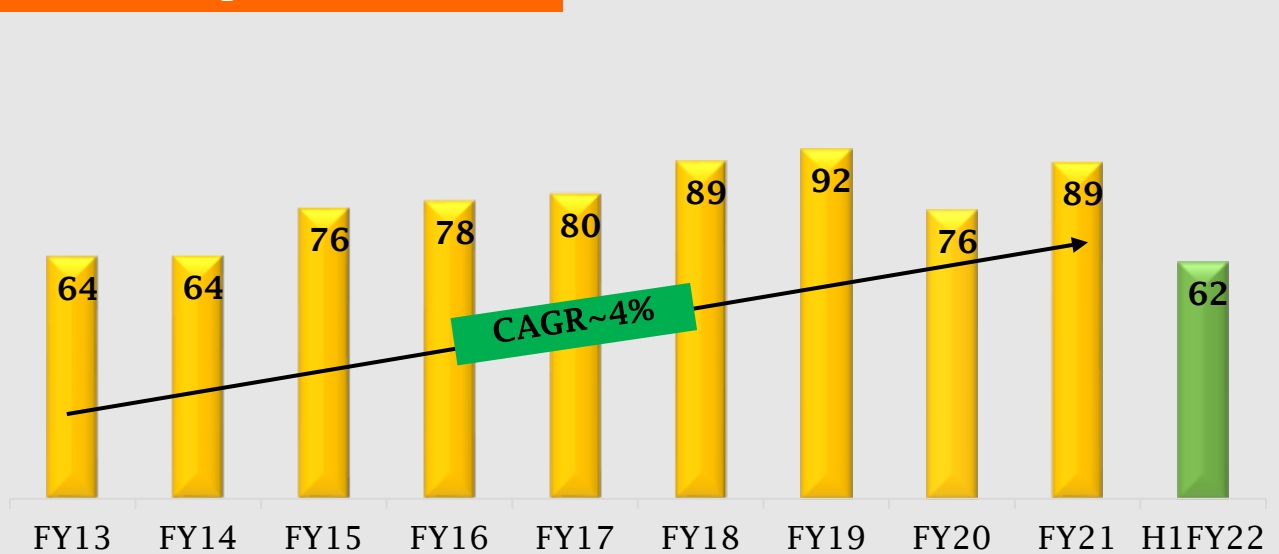


## **DIGITRAC** Contactless Sales

# EXPORT MARKET SIZE & OPPORTUNITY

Tractor Export from India

In `000s



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

Main Market under 120 HP Tractors

Hobby/Garden farming in Market (like USA)

# SHIP\* BUSINESS



TECHNOLOGY



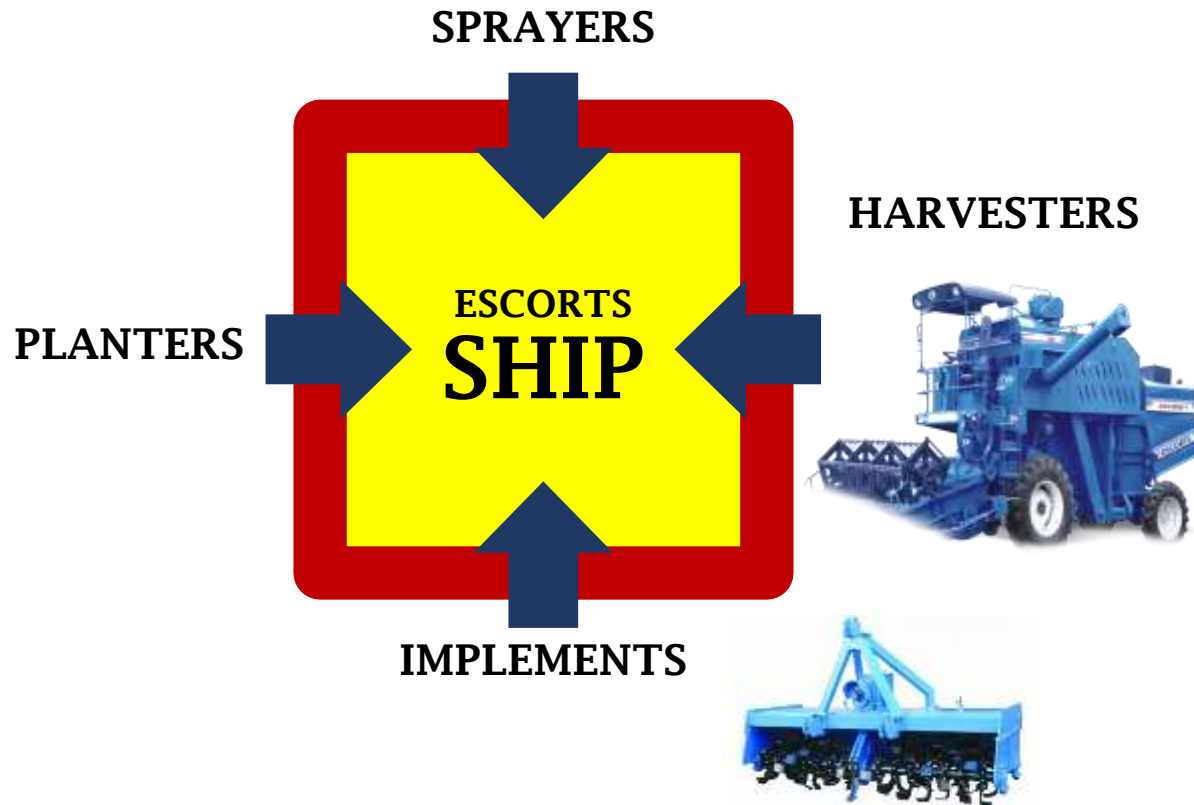
PRODUCT RANGE



SUPPLY CHAIN



DISTRIBUTION NETWORK



TRACTOR IS AS GOOD AS ITS ATTACHMENTS

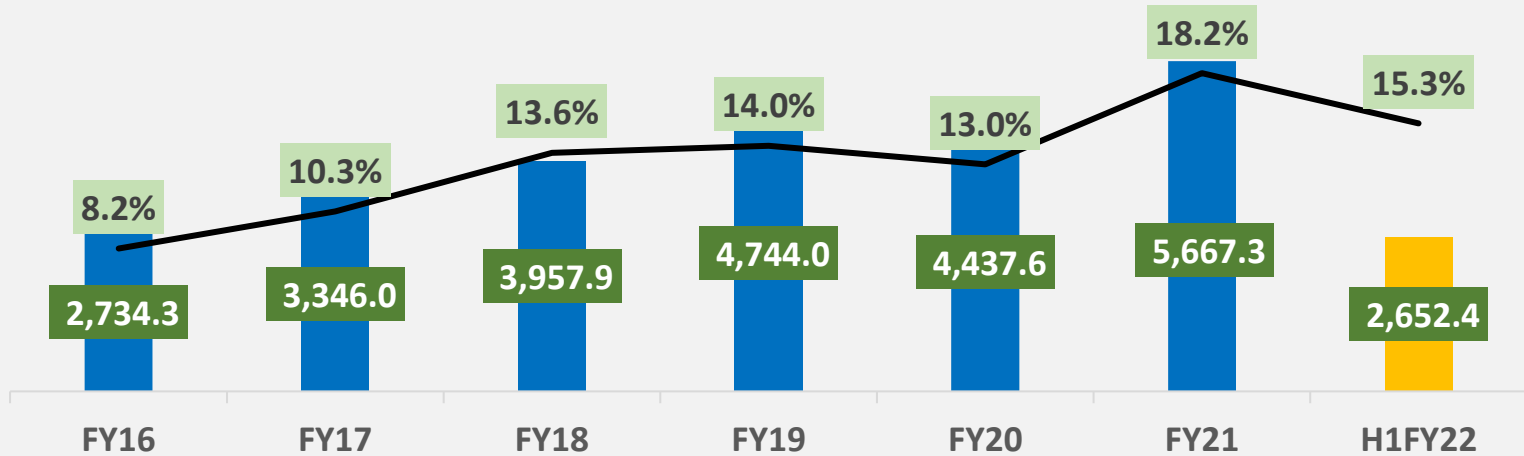




# ...EAM JOURNEY SO FAR & ASPIRATIONS FORWARD

## SEGMENT REVENUE (Rs. Cr.)

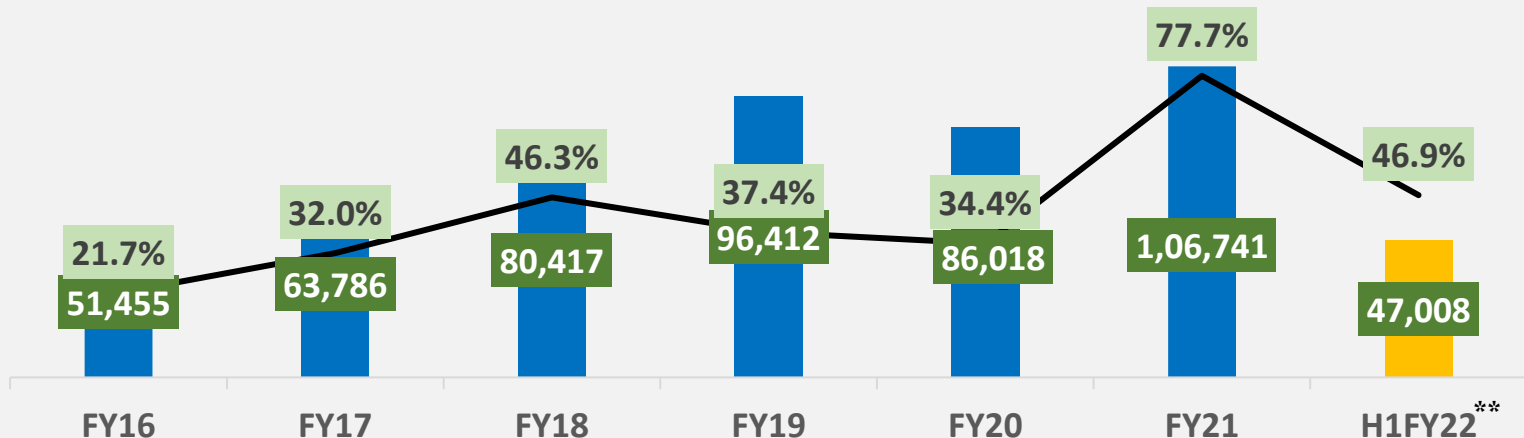
## EBIT %



17~18% EBIT Margin

## VOLUMES (Nos.)

## ROCE %



- ❖ Revenue Growth Initiatives
  - ❖ EXPORT
  - ❖ South & West penetration
  - ❖ Emerging Business
- ❖ Cost Rationalization
  - ❖ Raw Material
  - ❖ Manpower cost



# Segment Performance : ECE

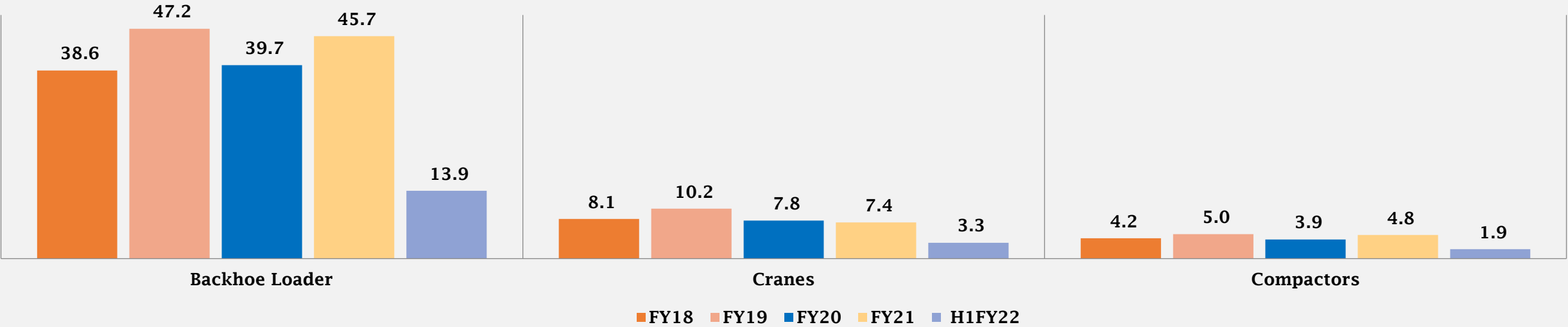
**Building a  
Better Tomorrow**

**PREFERRED PARTNER IN NATION BUILDING**

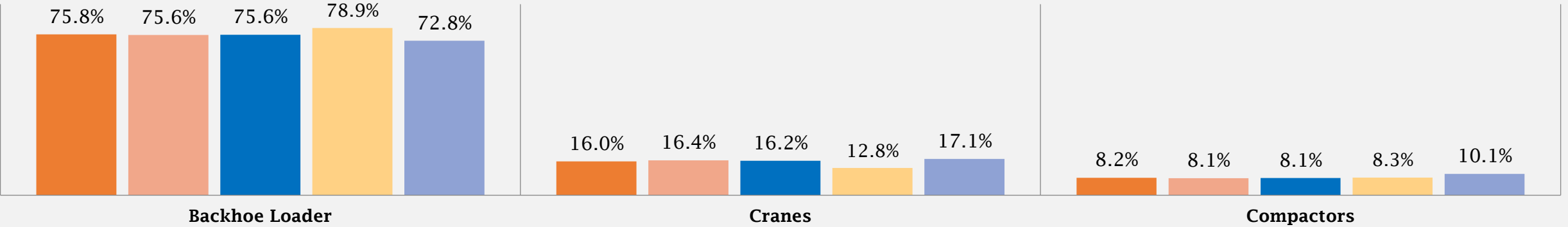
# SERVED INDUSTRY SEGMENTATION



Served Industry Volume (in `000s)



Served Industry category wise in %



# PRODUCT PORTFOLIO



## 1) Material Handling



65%

## 2) Earth Moving



17%

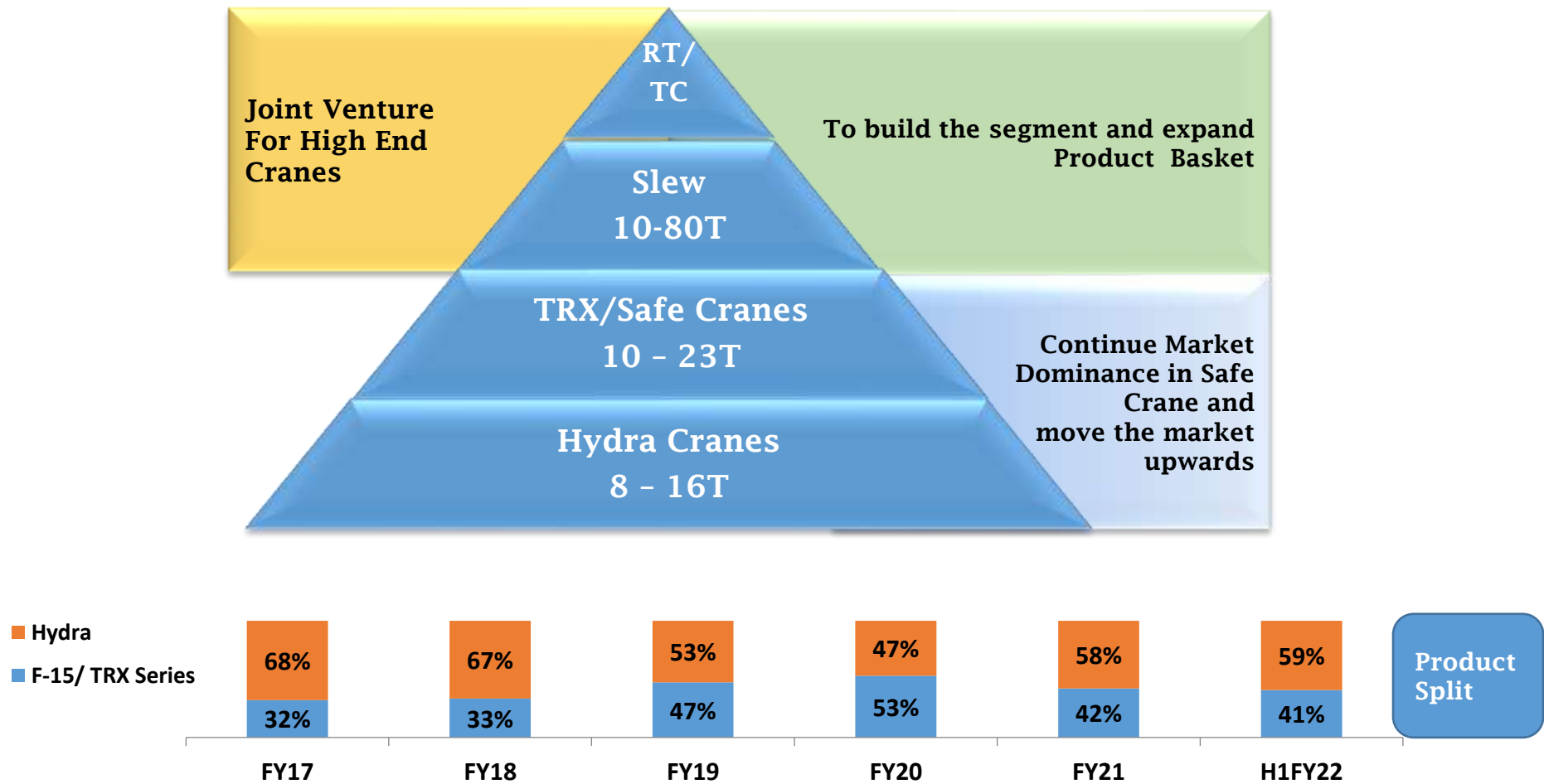
## 3) Road Construction



5.7%

% of ECE Revenue

# MATERIAL HANDLING



Transform the market from a leadership position

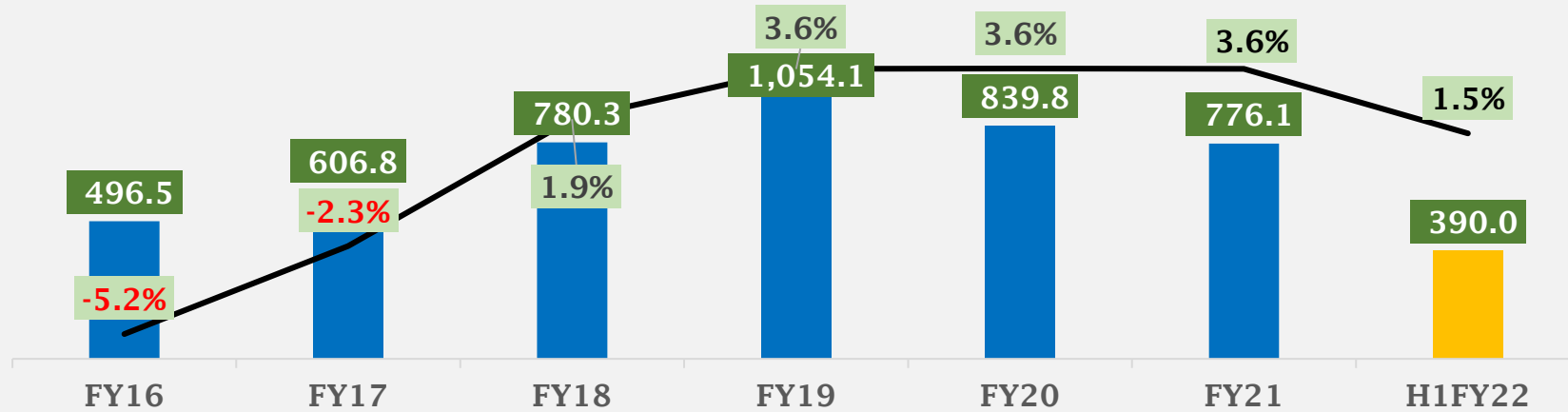


# READY TO RIDE THE INDUSTRY BOOM



## SEGMENT REVENUE (Rs. Cr.)

## EBIT %



**ASPIRATION**  
**High Single Digit EBIT Margin**

Strategic Tie ups

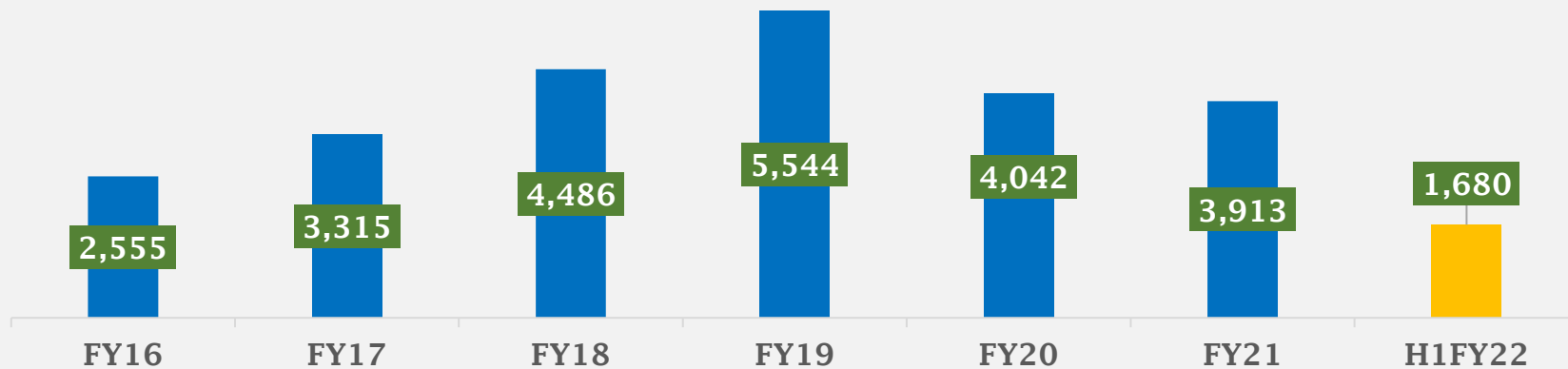
Focus on Cost Reduction :  
Material Cost

Focus on Export reach  
Enhancement

Channel Financing

Dealership & Outlet reach  
expansion

## VOLUMES (Nos.)



# Segment Performance : RED



**Mobility Solutions**  
Of the future

**ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT**

# ESCORTS RAILWAYS: MANUFACTURING SAFETY & COMFORT



**ESCORTS**  
**RAILWAY EQUIPMENT DIVISION**

**To achieve Leadership position in Indian Railways Components Industry in the defined segment**

**Major Sourcing partner for global Rolling Stock OEMs & Operators**

# ON GROWTH TRACK



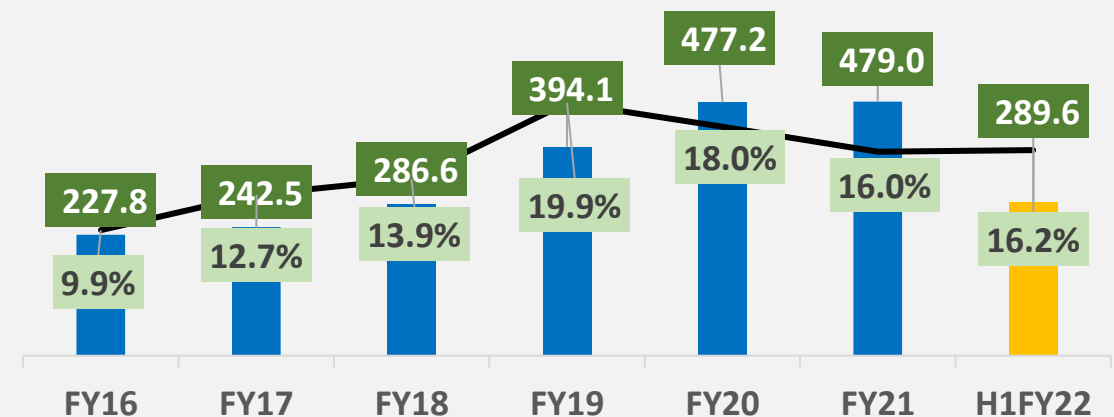
## CONSISTENT ORDER BOOK

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

More than Rs. 310 Cr. as of  
September'2021

### SEGMENT REVENUE (Rs. Cr.)

### EBIT %



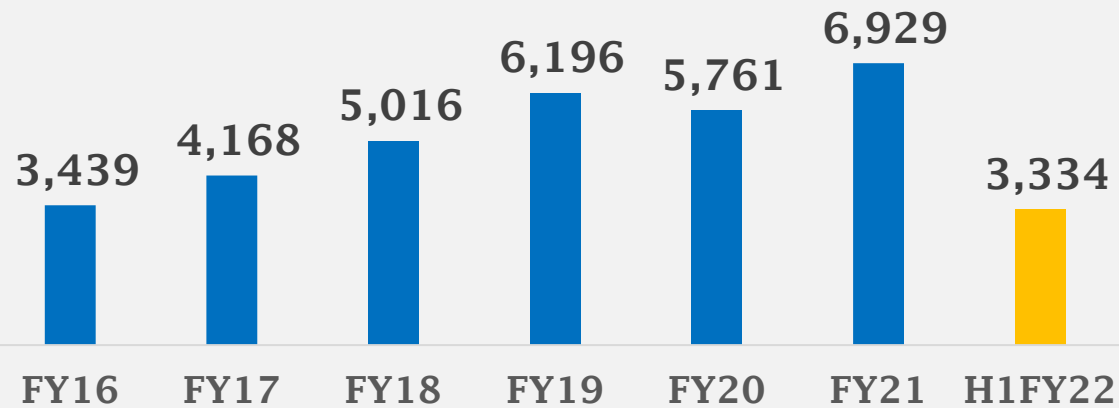


# Escorts Ltd. Financials

# ↑ KEY FINANCIAL METRICS ...

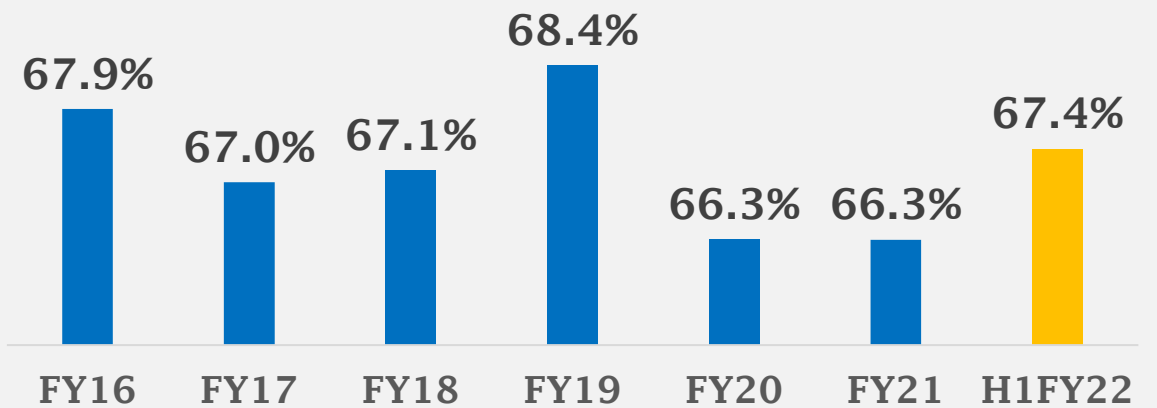


## OPERATION REVENUE (Rs. Cr.)

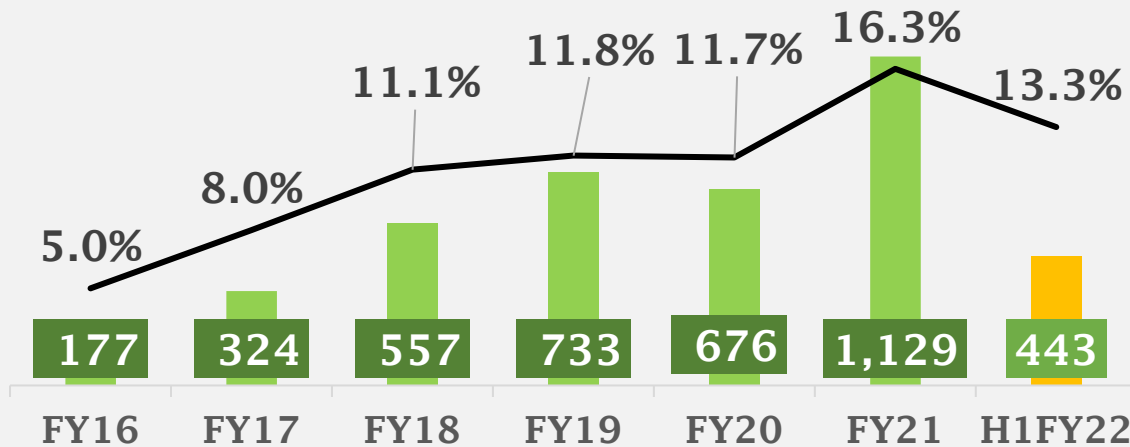


## Material Cost %

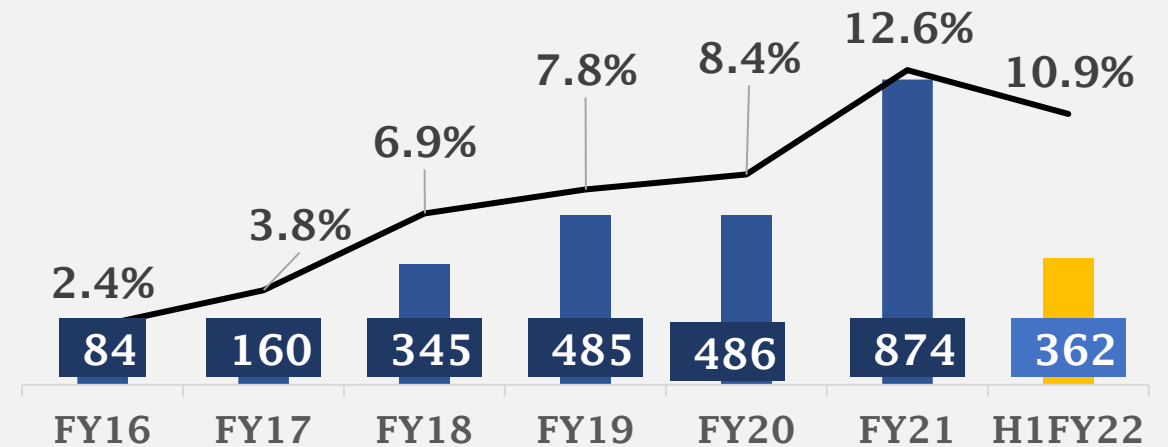
Adverse commodity prices



## EBITDA (Rs. Cr.) %



## PAT (Rs. Cr.) %

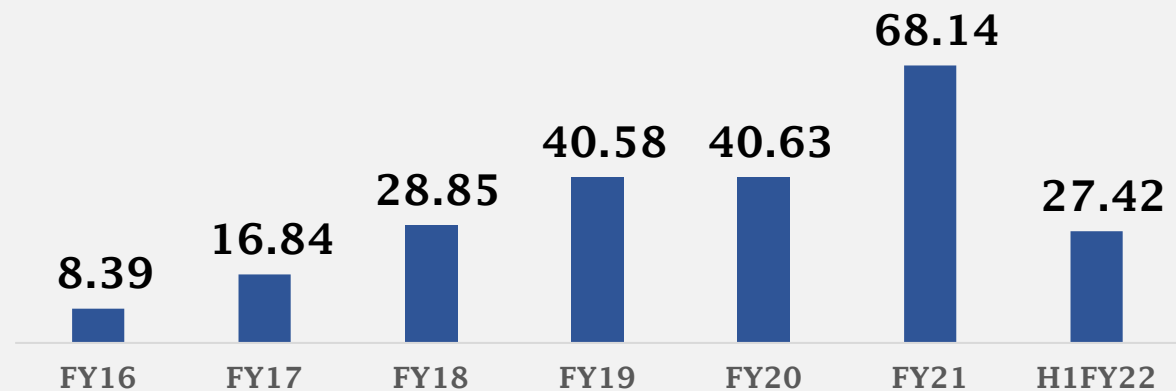


# ↑ KEY FINANCIAL METRICS ...



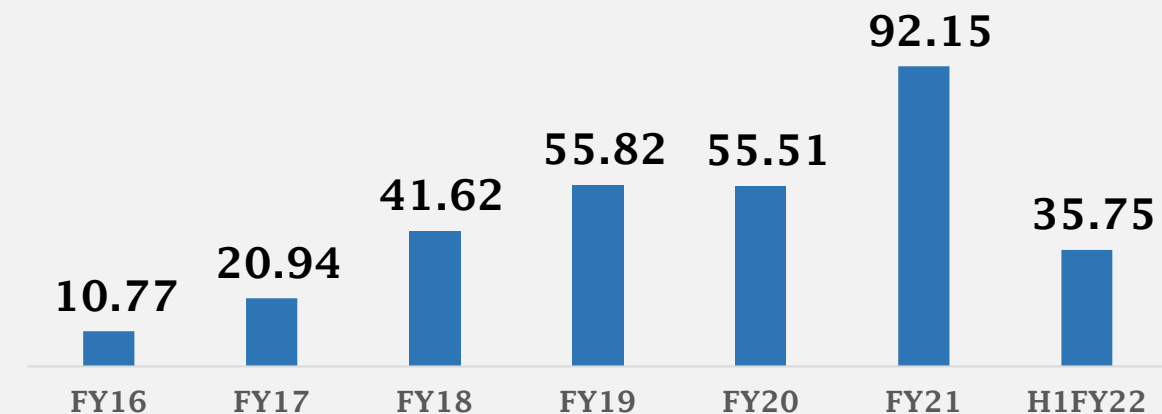
## EPS (₹)

Including  
Treasury Shares



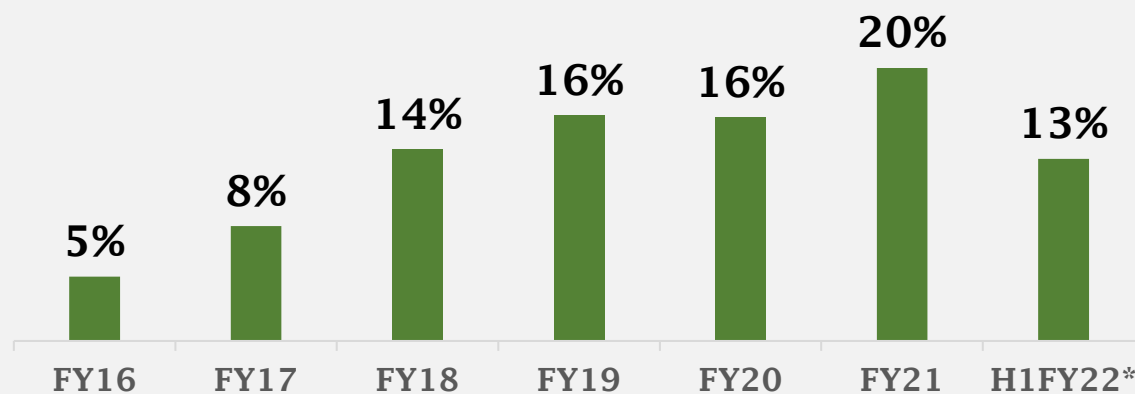
## EPS (₹)

Excluding  
Treasury Shares



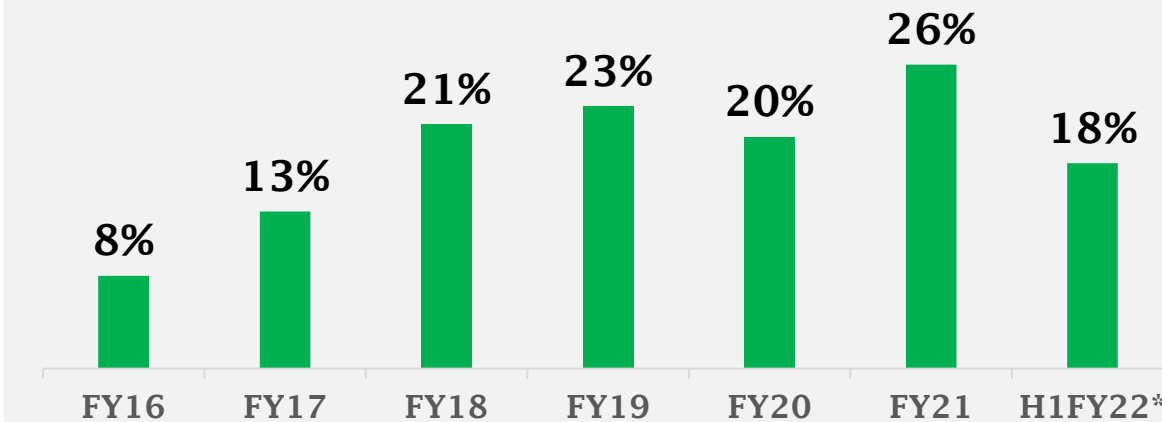
## ROE

%



## ROCE

%

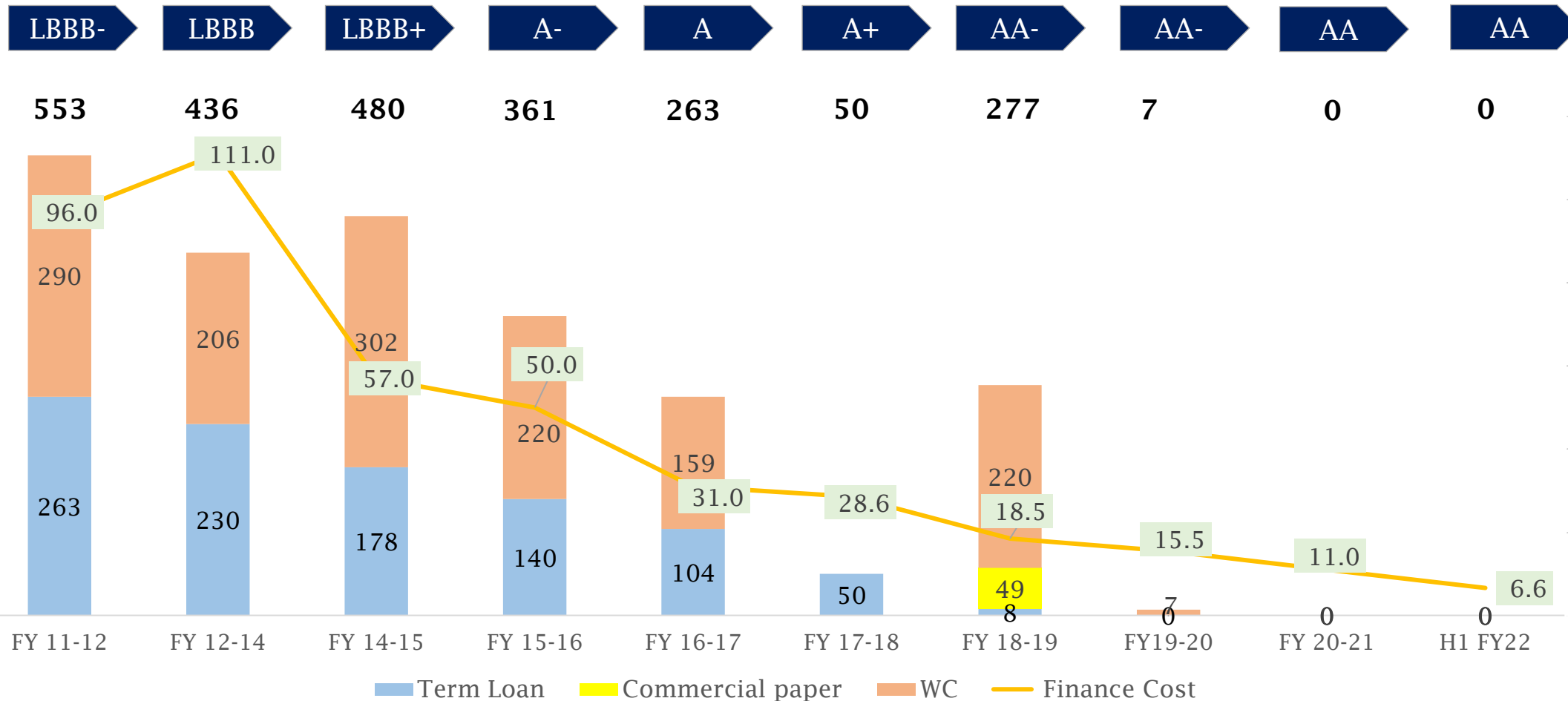


# Credit Rating & Debt Profile



Long Term  
Credit  
Rating

(₹ Crs.)

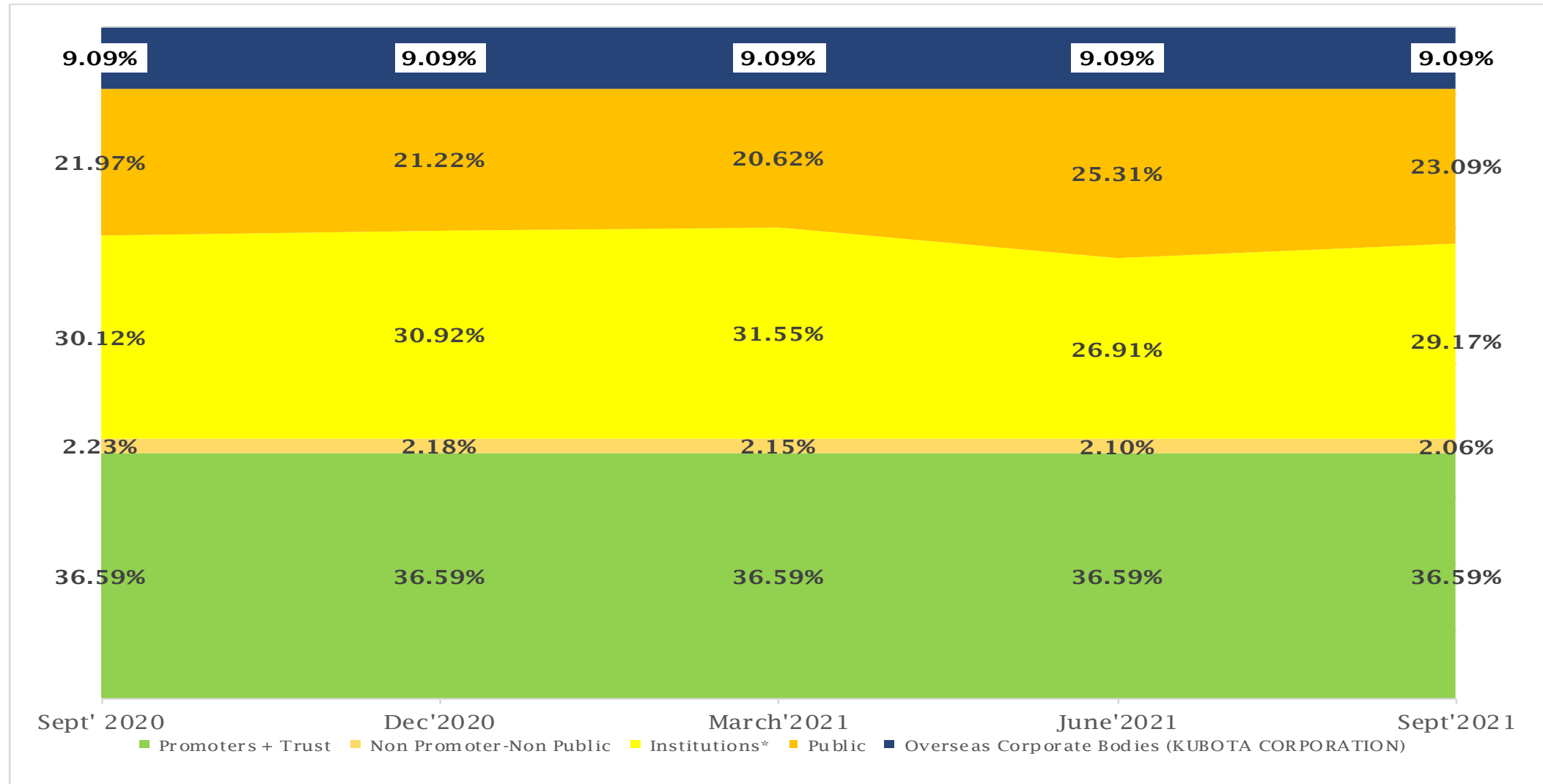


Please note:-

- Nos. from FY 11-12 to FY 14-15 is as per IGAAP.
- Finance Cost for FY 12-14 is for 18 months.



# ↑ SHAREHOLDING PATTERN



\* FPI/Financial Institutions/ Banks/Insurance Companies

As of quarter ended

**ESCORTS**

<b>Top 10 Shareholders As on 30-09-2021</b>	
<b>Name</b>	<b>% to Equity</b>
ESCORTS BENEFIT AND WELFARE TRUST (TRUSTEE – DR. SUTANU BEHURIA)	24.99
KUBOTA CORPORATION	9.09
HAR PARSHAD AND CO PVT LTD	7.80
JHUNJHUNWALA RAKESH RADHESHYAM	3.45
ESCORTS EMPLOYEES BENEFIT AND WELFARE TRUST (TRUSTEE - ANIL KUMAR CHANDRASHEKARAN)	2.06
T. ROWE PRICE INTERNATIONAL DISCOVERY FUND	1.99
SCHRODER INTERNATIONAL SELECTION FUND EMERGING ASI	1.91
BIG APPLE CLOTHING PRIVATE LIMITED	1.31
AAA PORTFOLIOS PRIVATE LIMITED	1.25
HDFC LIFE INSURANCE COMPANY LIMITED	1.07
<b>Total</b>	<b>54.92</b>

# Vibrant board



**NIKHIL NANDA**

*Chairman & Managing Director*

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



**HARDEEP SINGH**

*Non-Executive Director*

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



**P.H. RAVIKUMAR**

*Independent Non-Executive Director*

- Founder MD & CEO of NCDEX
- Chairperson of CISI's India Advisory Council



**VIBHA PAUL RISHI**

*Independent Non-Executive Director*

- Worked as ED of Max India Ltd.
- Director of Marketing & Strategy at Future Group



**DR. SUTANU BEHURIA**

*Independent Non-Executive Director*

- Financial Advisor to Ministries of Commerce, Textiles, Coal, Mines, Youth Affairs & Sports
- Served as Board member in over 25 PSUs



**NITASHA NANDA**

*Whole Time Director*

- Responsible for managing Company's subsidiary companies
- Serves as Board member in several companies



**SHAIENDRA AGRAWAL**

*Executive Director*

- Mechanical Engineer with 35 years of diverse experience in Tata Motors, Hero Motors and Escorts Limited.
- Leading business transformation at Escorts Limited.



**SUNIL KANT MUNJAL**

*Independent Non-Executive Director*

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



**TANYA DUBASH**

*Independent Non-Executive Director*

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



**DAI WATANABE**

*Non-Executive Non-Independent Director*

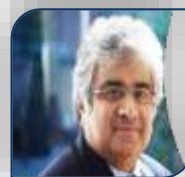
- More than 25 years of diverse experience in Kubota Corporation.
- General Manager Innovation Centre of Kubota



**YUJI TOMIYAMA**

*Non-Executive Non-Independent Director*

- 30 years plus of diverse experience in Kubota Corporation.
- Senior Managing Executive Officer of Kubota



**HARISH S SALVE**

*Independent Director*

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



# MANAGEMENT TEAM



**Mr. Shailendra Agrawal**  
**Executive Director**

- 39 years of experience in creating product & technology roadmap and driving business transformation through Business Process Re-engineering



**Mr. Shenu Agarwal**  
**CEO, Escorts Agri Machinery**

- 30 years plus of experience in domestic and international sales and marketing, R&D and product development, strategy and project management.
- He is a member of the CII National Council of Agriculture and the Managing Committee of the Tractor Manufacturers Association.



**Mr. Ajay Mandahr**  
**CEO, Escorts Construction Equipment**

- 30 years plus of experience in operations, sales & marketing, new product development



**Mr. Bharat Madan**  
**Group Chief Financial Officer & Corporate head**

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



**Mr. Amit Singhal**  
**Group Chief Human Resource Officer & Deputy Corporate head**

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



**Mr. Ankur Dev**  
**Chief Executive, Railway Product Division**

- Qualified financial professional with 17 years of rich experience in financial management across diverse sectors including manufacturing, auto, consumer durables, telecom, and petroleum.



# SAFE HARBOR



Certain statements in this document include forward-looking comments and information concerning the company's plans and projections for the future, including estimates and assumptions with respect to economic, political, technological, weather, market acceptance and other factors that impact our businesses and customers. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Escorts Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

## Contact Details

### **Escorts Ltd.**

(CIN: L74899HR1944PLC039088)

**Corporate Centre**

**15/5 Mathura Road**

**Faridabad - 121003**

**Phone: +91 129 2250222**

**[www.escortsgroup.com](http://www.escortsgroup.com)**

**[investorrelation@escorts.co.in](mailto:investorrelation@escorts.co.in)**

**Bharat Madan**

(Group Chief Financial Officer)

**+91 129 2564837**

**[bharat.madan@escorts.co.in](mailto:bharat.madan@escorts.co.in)**

**Prateek Singhal**

(Financial Analyst & Investor Relations)

**+91 129 2564921**

**[prateek.singhal@escorts.co.in](mailto:prateek.singhal@escorts.co.in)**

# Thank You



# ESCORTS