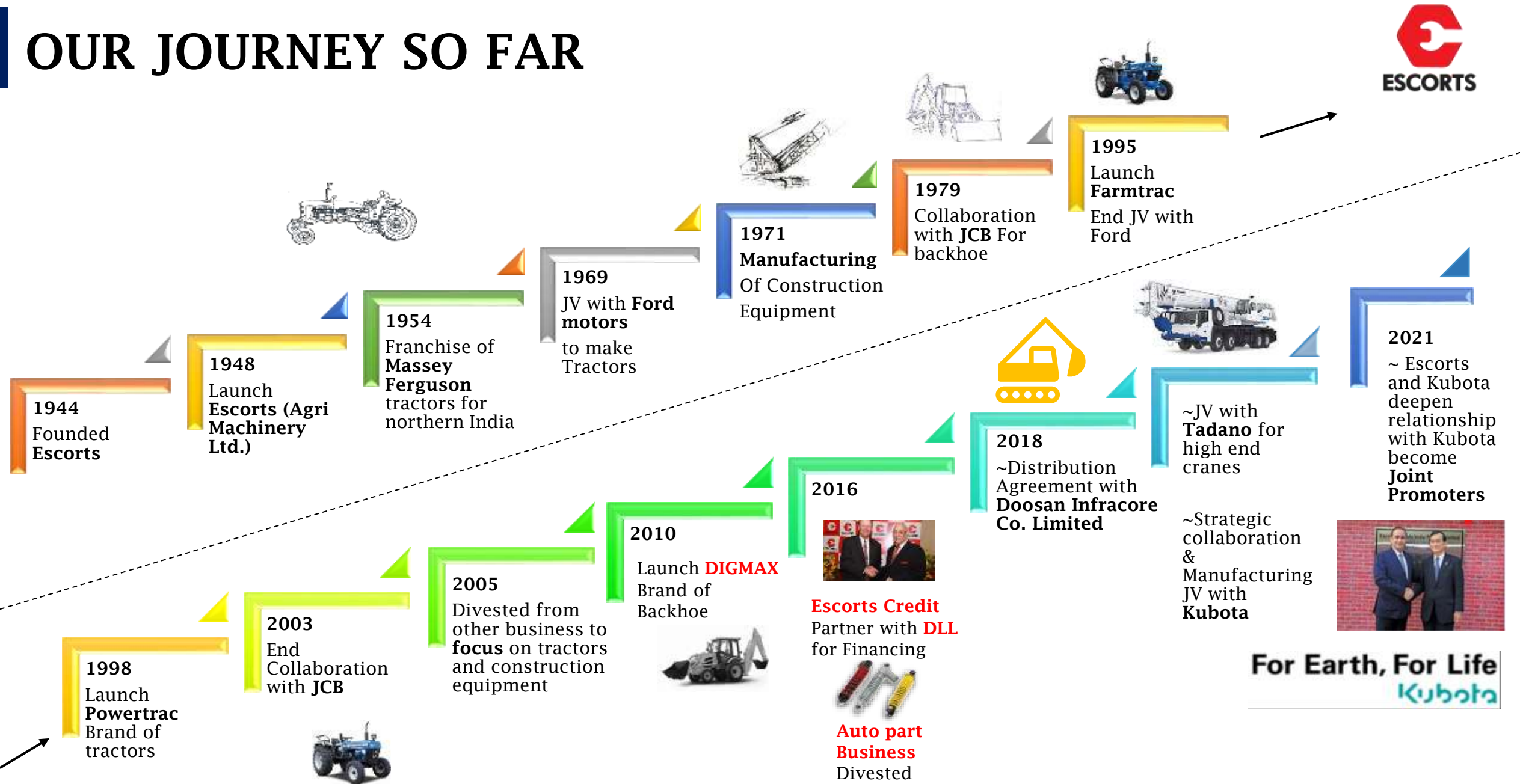


# INVESTOR PRESENTATION

May 2022

# 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.  
FY22: ₹ 7,365.7 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.  
FY22: ₹ 5,521.0 Cr.

## Escorts Construction Equipment



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

Revenue FY21: ₹ 776.1 Cr.  
FY22: ₹ 985.3 Cr.

## Railway Equipment Division



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

Revenue FY21: ₹ 479.0 Cr.  
FY22: ₹ 636.2 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)**

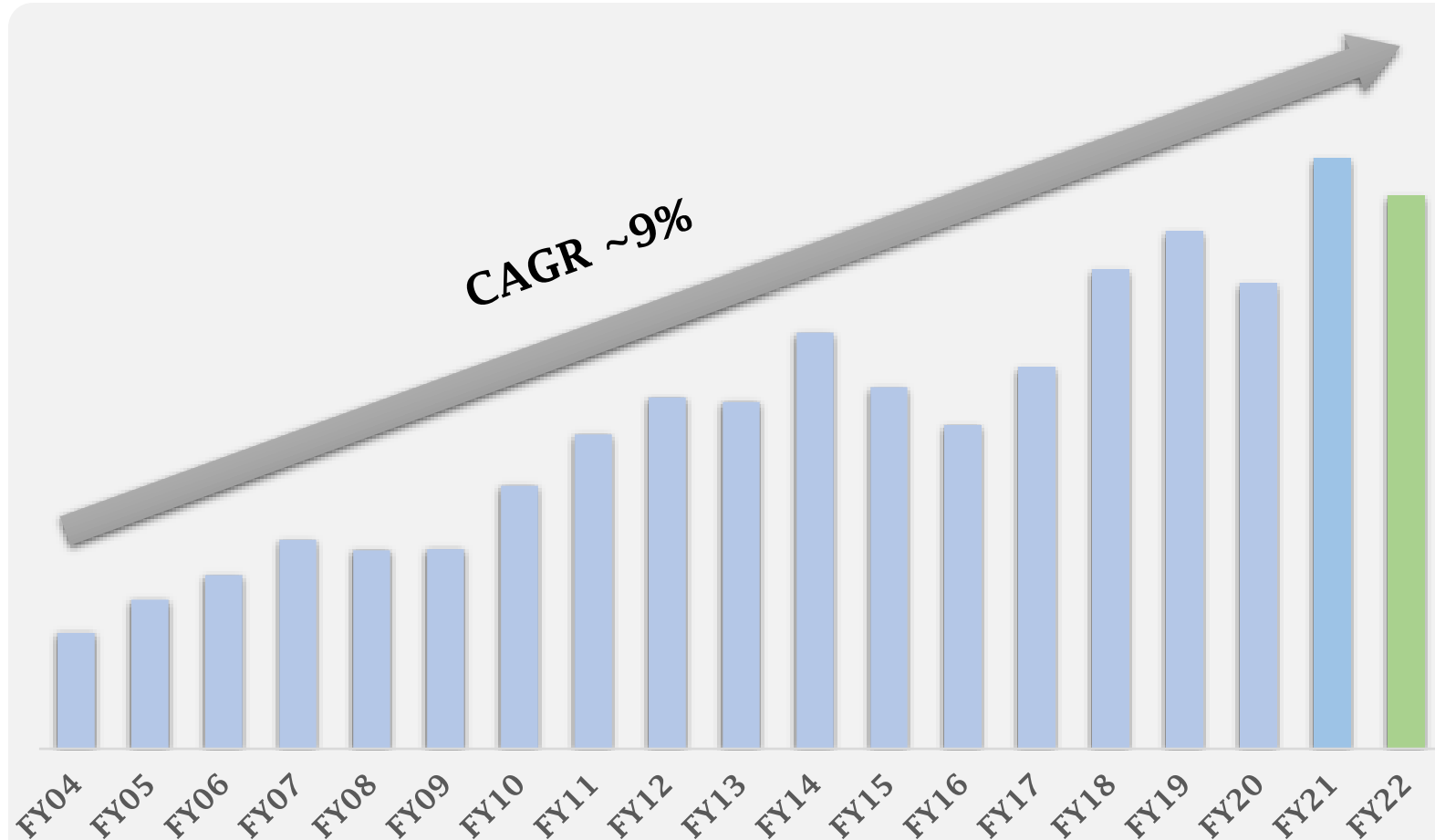
A State of Art facility in Faridabad, sprawling 55,609 sq.m, envisaged and designed to manufacture an array of safety and comfort products for rail transport.

# 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.

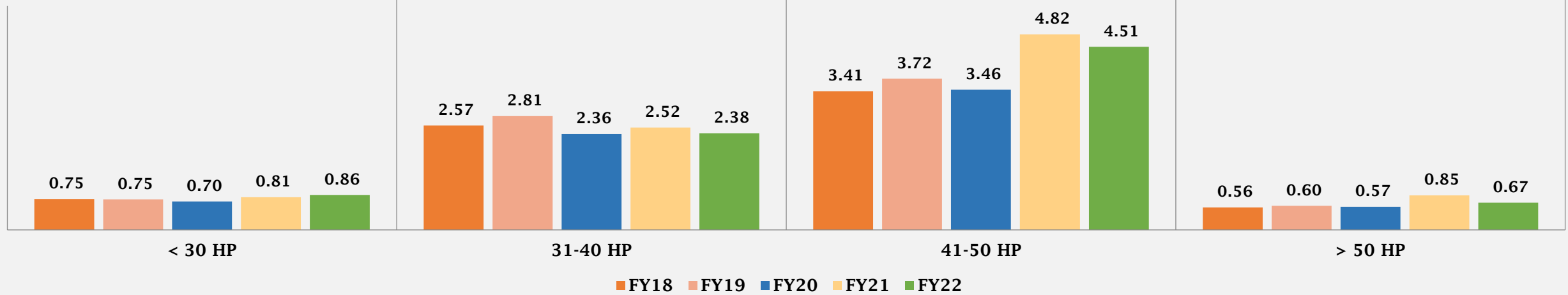
- ❖ India is the **largest** manufacturer of farm equipment
- ❖ India accounts for nearly **1/3<sup>rd</sup>** of the overall tractor production globally
- ❖ **0.84 million** units in FY22 and reach to approx. **1.2-1.5 million** units by 2030
- ❖ Customer exchange their tractor in every **6-8 years** in mature markets.



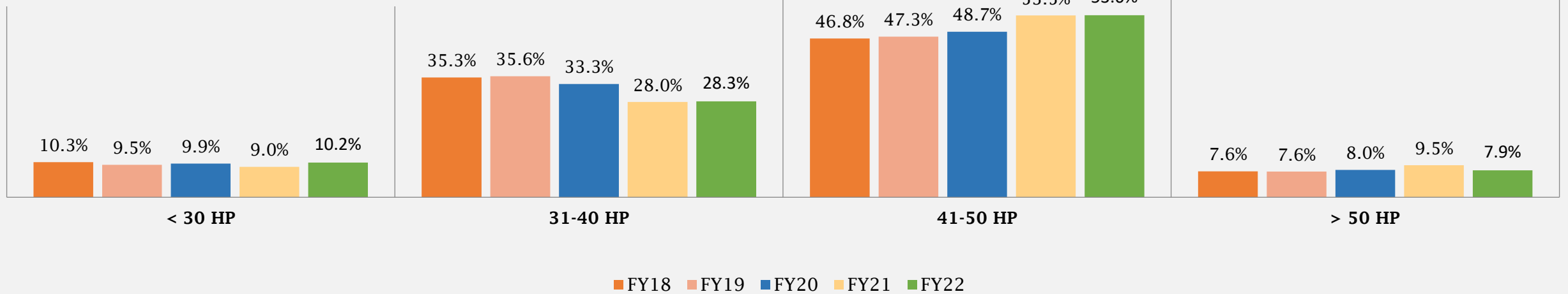
# Domestic Industry Segmentation



Industry Segment Volume (in lakh)



Industry Segment in %

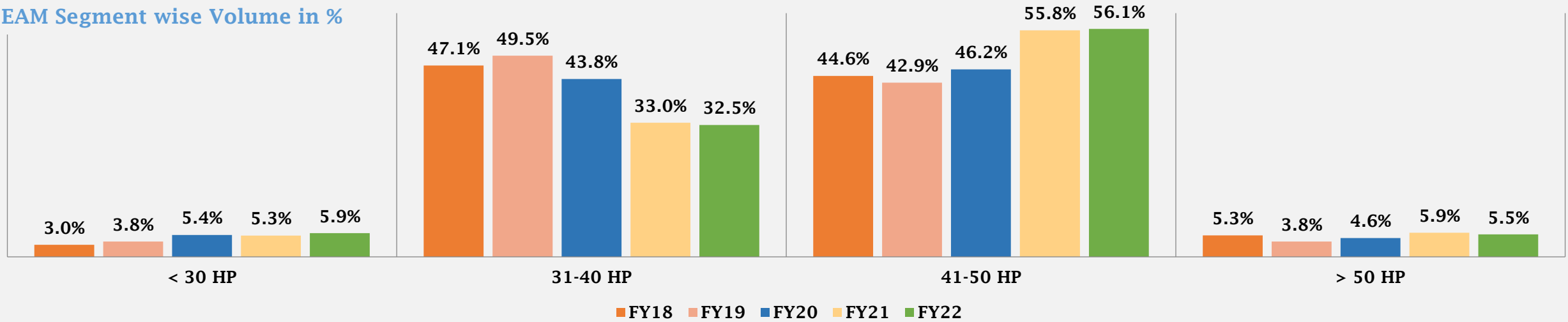




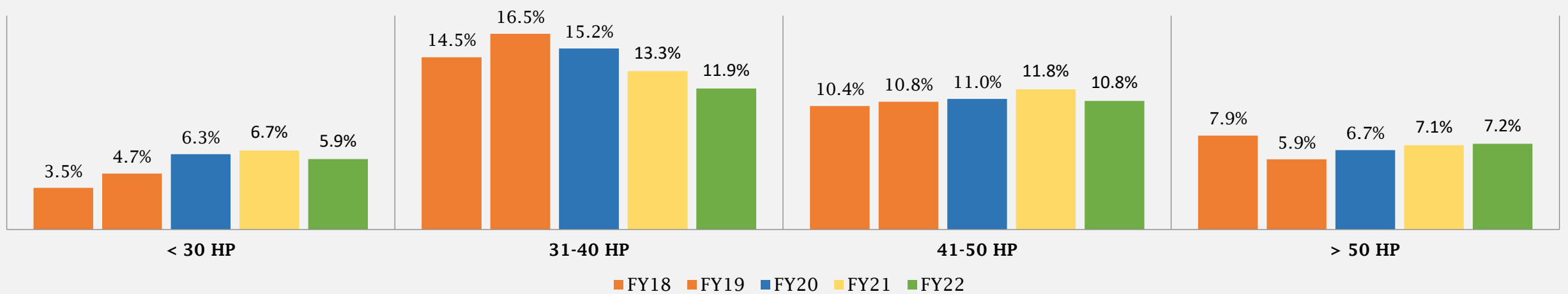
# EAM DOMESTIC SEGMENTATION



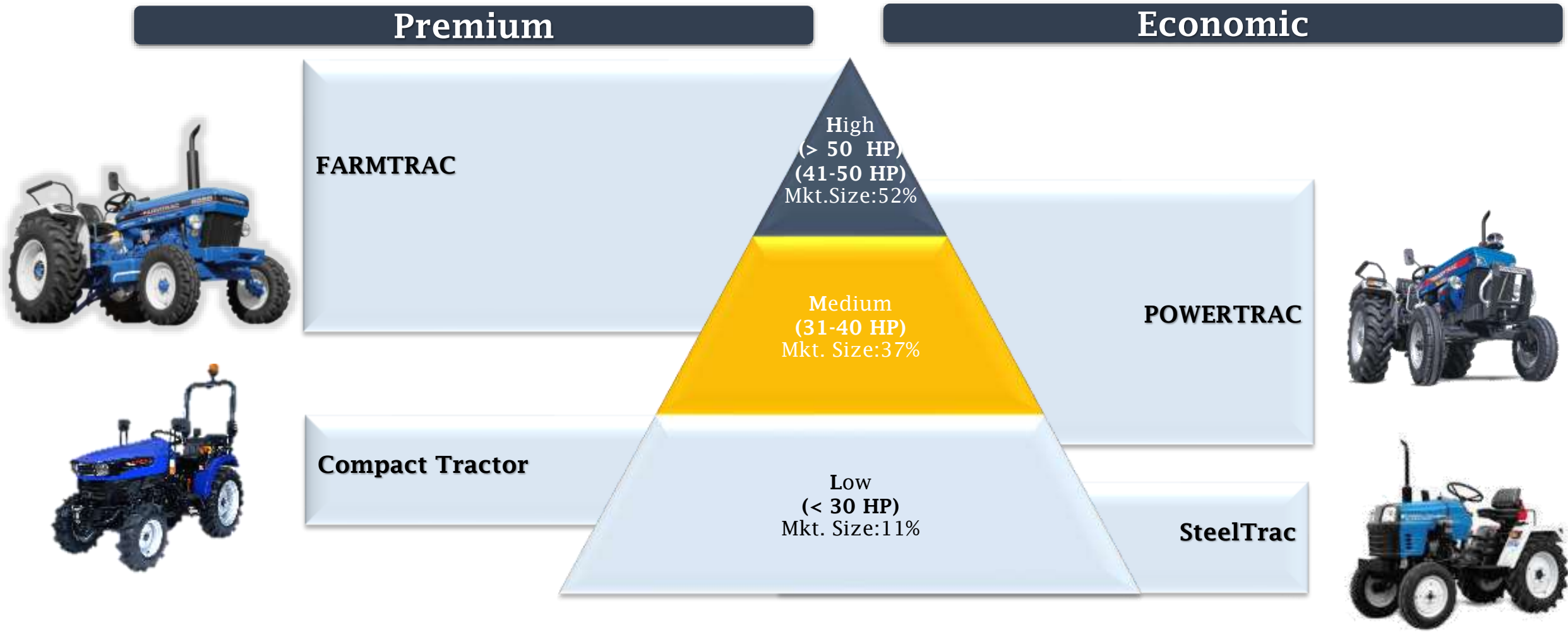
EAM Segment wise Volume in %



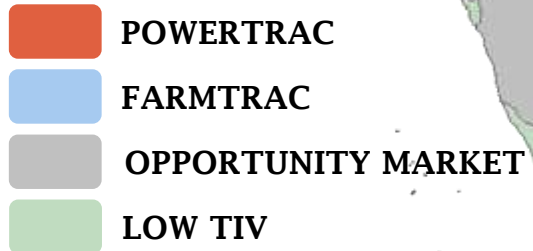
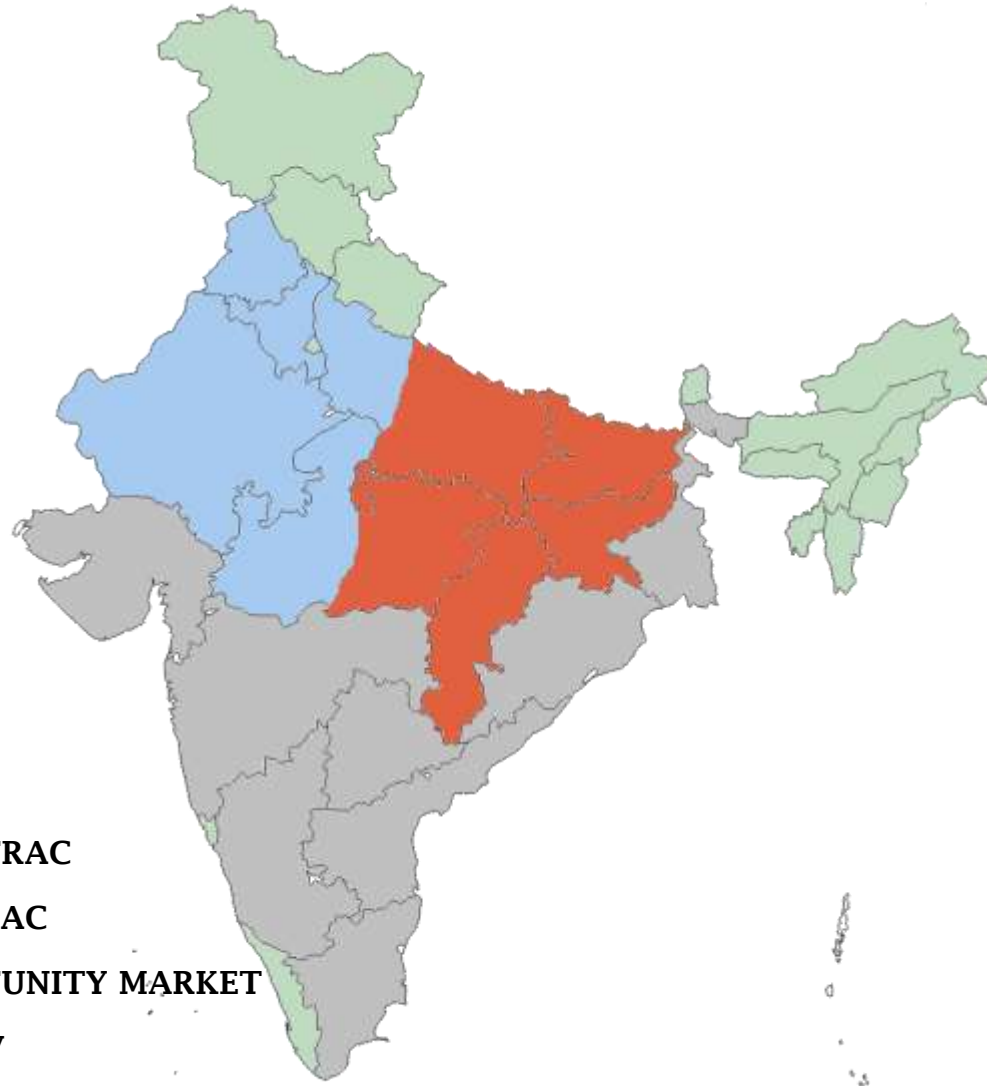
EAM Segment wise Market Share in %



# HOW WE ARE POSITIONED



# WINNING MARKET



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

**Current 1,100+ 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

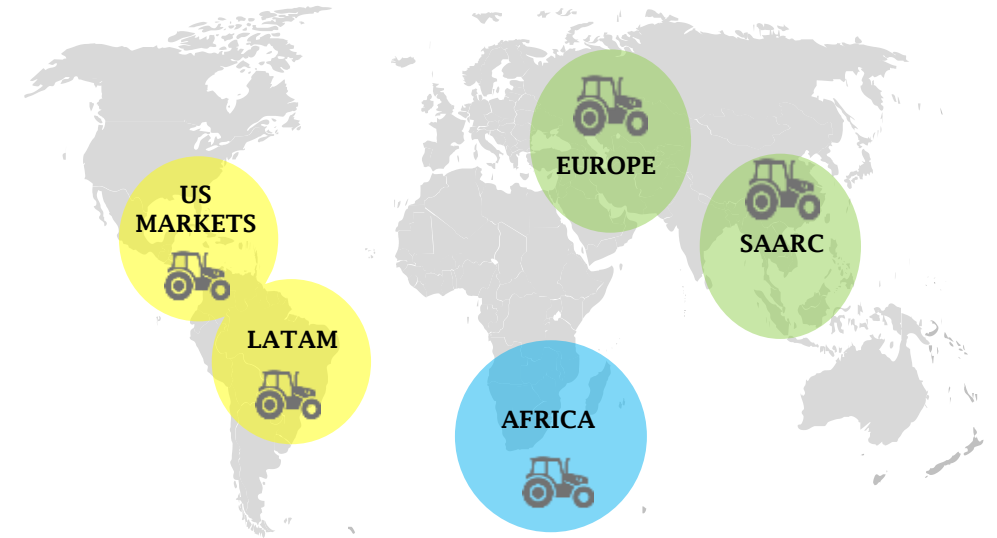
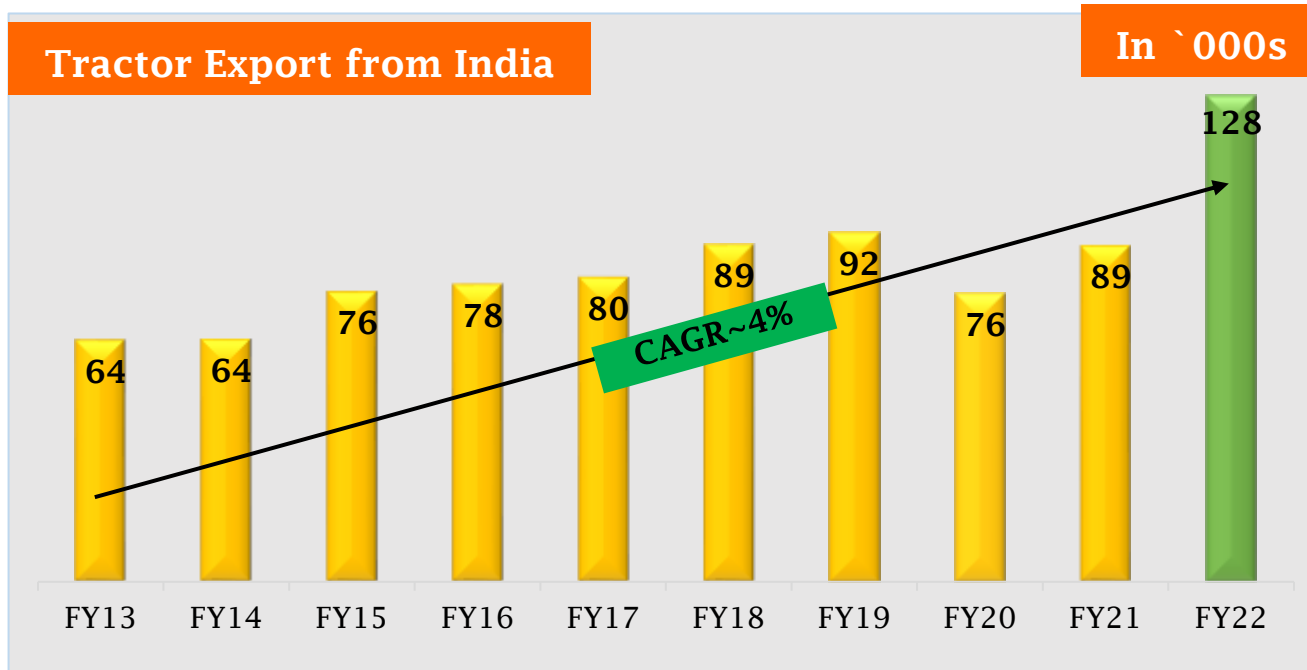
ADVANCED. CONVENIENT. TRANSPARENT.



## **DIGITRAC** Contactless Sales



# EXPORT MARKET SIZE & OPPORTUNITY



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

Main Market under 120 HP Tractors

Hobby/Garden farming in Market (like USA)

# SHIP\* BUSINESS



TECHNOLOGY



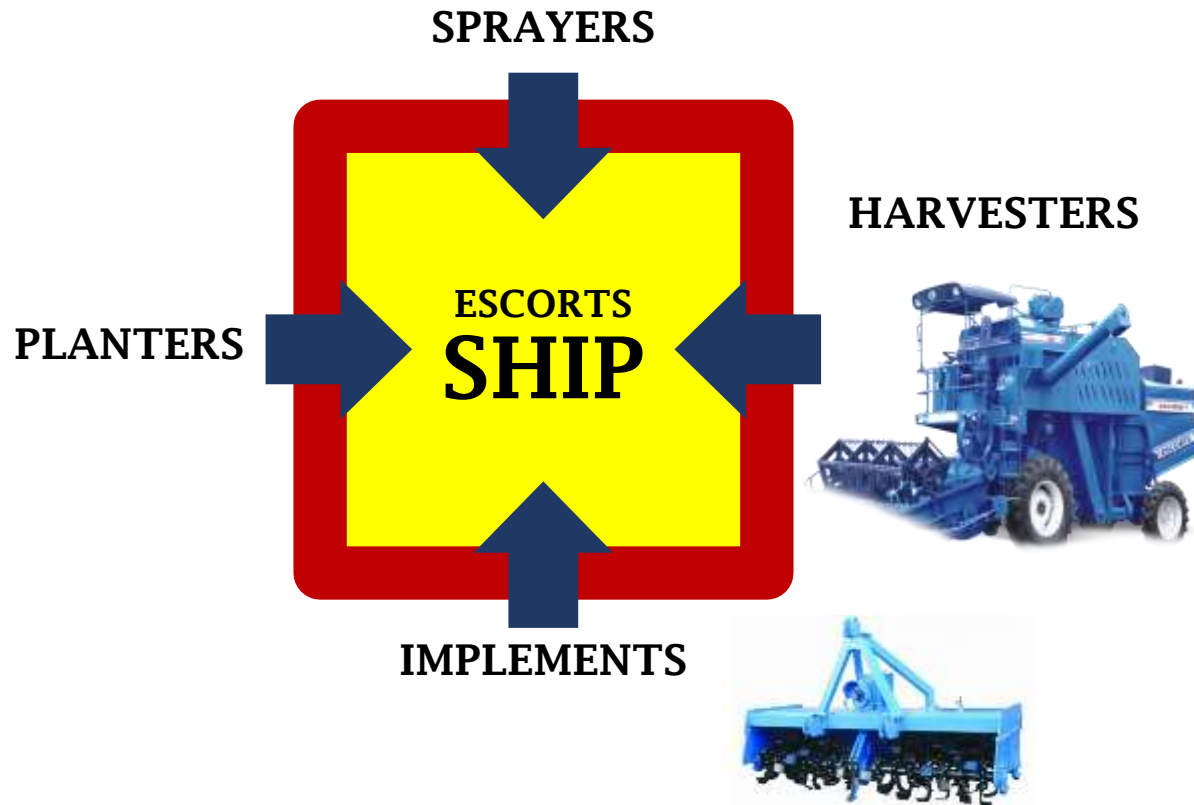
PRODUCT RANGE



SUPPLY CHAIN



DISTRIBUTION NETWORK



TRACTOR IS AS GOOD AS ITS ATTACHMENTS

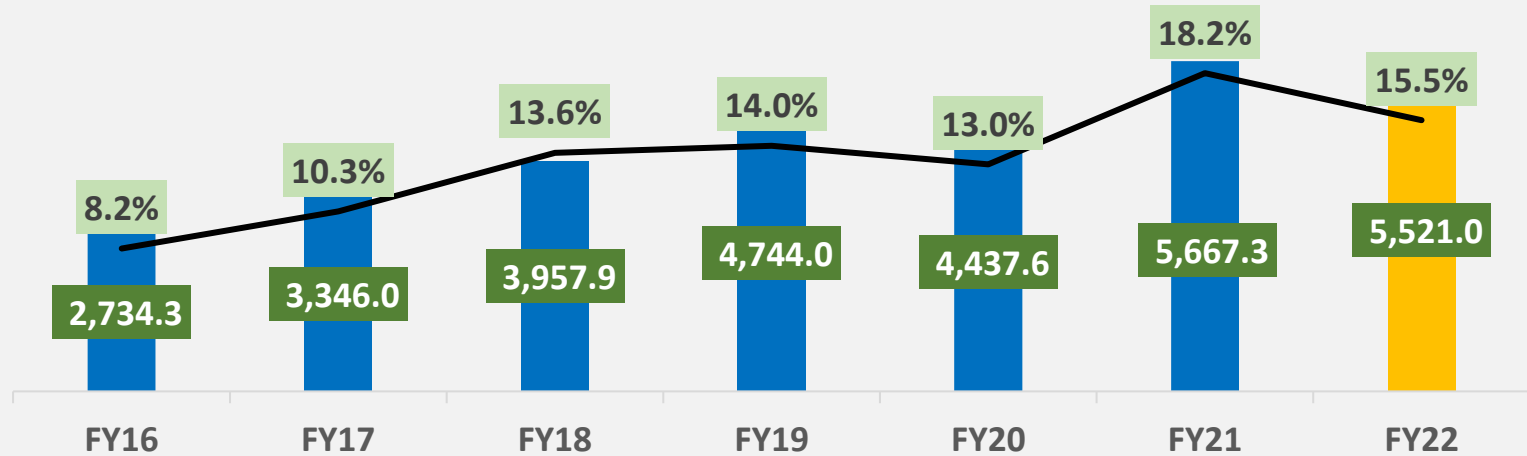




# ...EAM JOURNEY SO FAR & ASPIRATIONS FORWARD

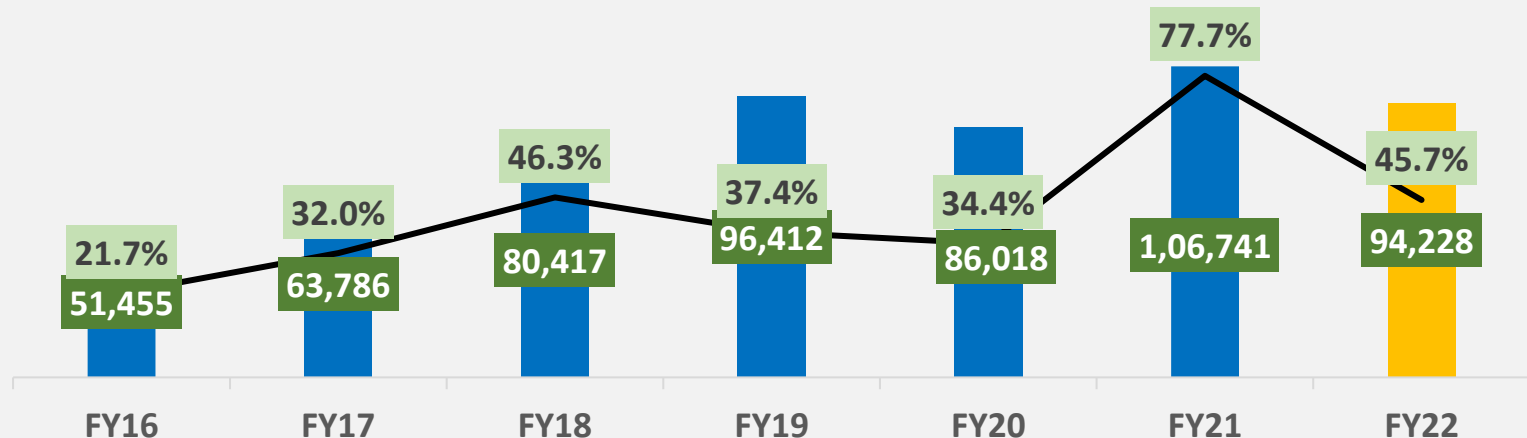
## SEGMENT REVENUE (Rs. Cr.)

## EBIT %



## VOLUMES (Nos.)

## ROCE %



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

# Segment Performance : ECE

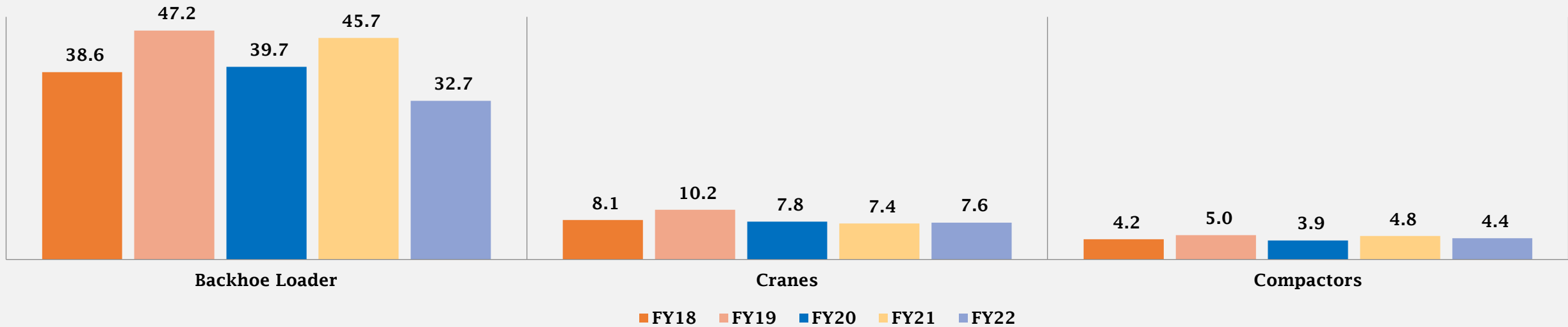
**Building a  
Better Tomorrow**

**PREFERRED PARTNER IN NATION BUILDING**

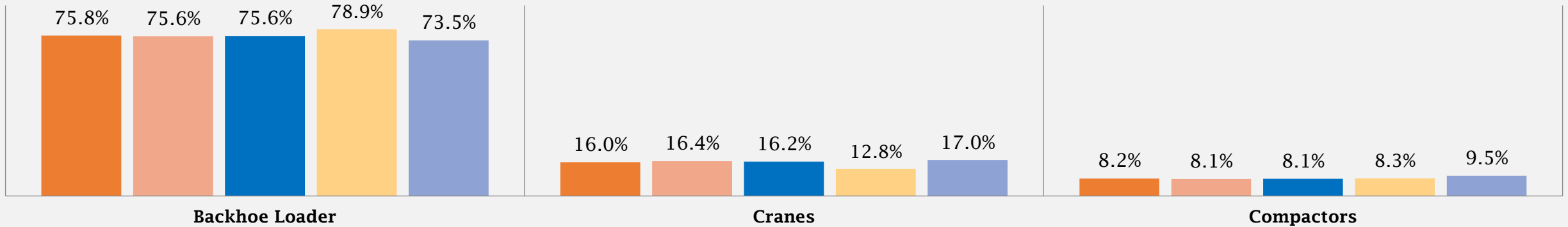
# SERVED INDUSTRY SEGMENTATION



Served Industry Volume (in `000s)



Served Industry category wise in %



# PRODUCT PORTFOLIO



## 1) Material Handling



65.7%

## 2) Earth Moving



15.9%

## 3) Road Construction

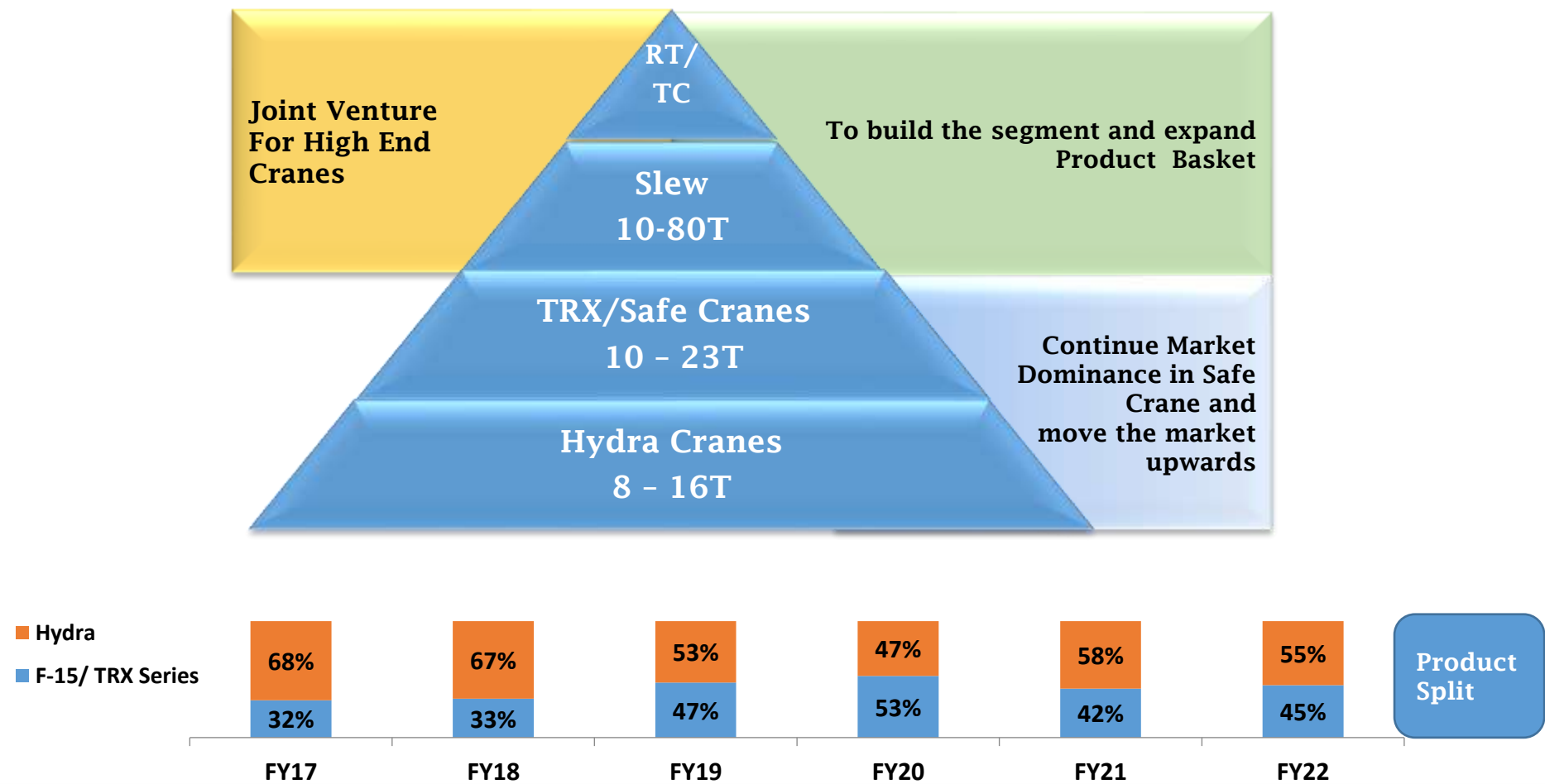


7.4%

% of ECE Revenue

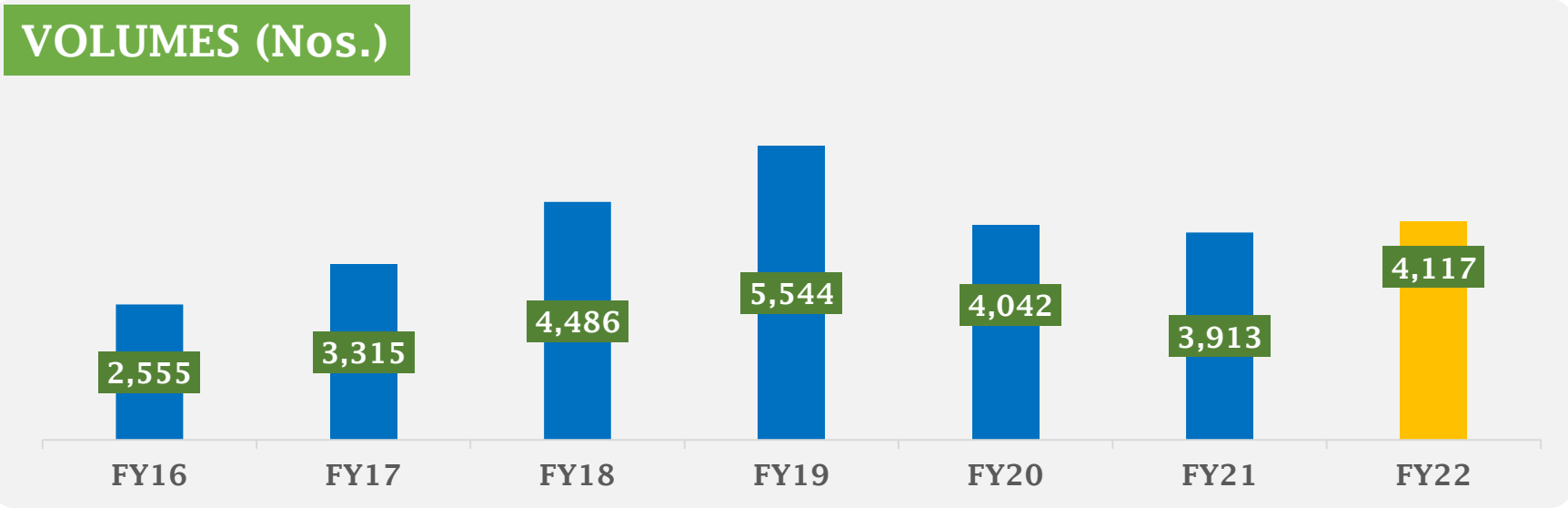
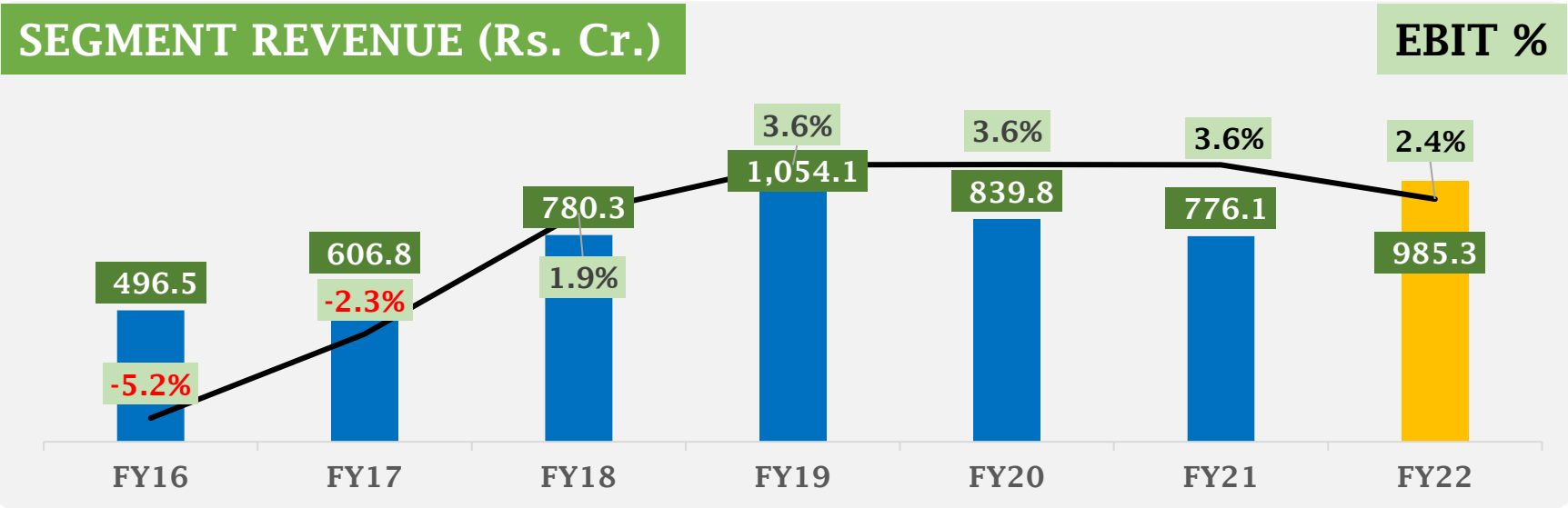


# MATERIAL HANDLING



Transform the market from a leadership position

# READY TO RIDE THE INDUSTRY BOOM



**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

# Segment Performance : RED



**Mobility Solutions**  
Of the future

**ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT**





**ESCORTS**

**RAILWAY EQUIPMENT DIVISION**

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



Loco Brake



EP Brake



Wheel Mounted Disc Brake System

(In collaboration with Yujin South Korea)



Axle Mounted Disc Brake System



Axle Mounted Brake Disc



Distributor Valve



Vacuum Toilets



Air Spring  
(In collaboration with Nitta Japan)



Couplers & Draft Gear



Dampers



Brakes Block & Brake Pad



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

**Ensuring Safety and Comfort in Rail Transport**

**IRIS**<sup>TM</sup>  
Certified



# ON GROWTH TRACK



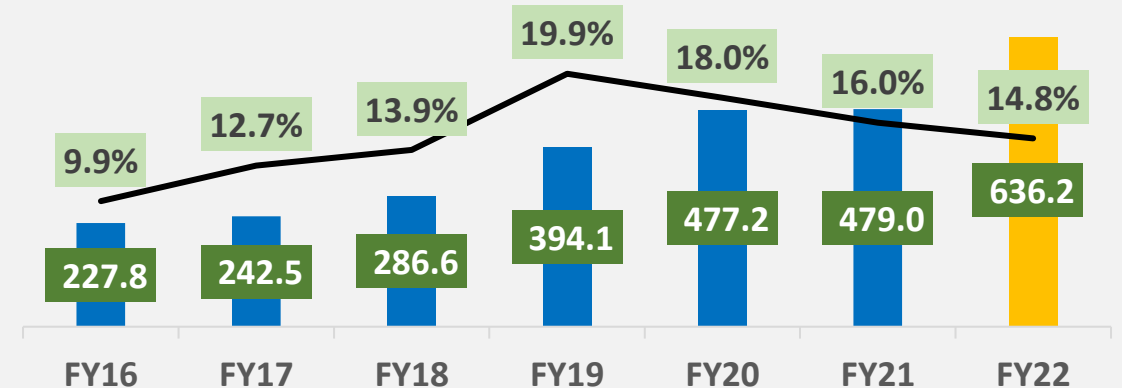
## CONSISTENT ORDER BOOK

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

More than Rs. 440 Cr. as of  
March' 2022

### SEGMENT REVENUE (Rs. Cr.)

### EBIT %

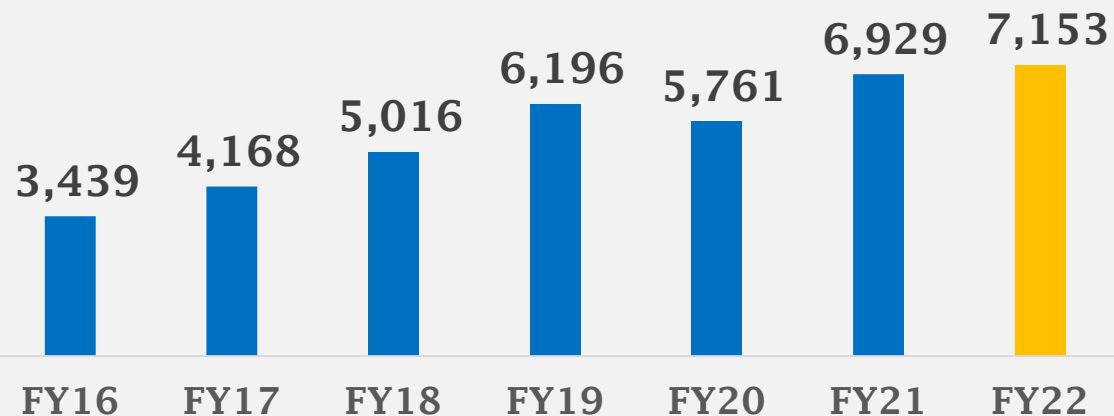


# Escorts Ltd. Financials

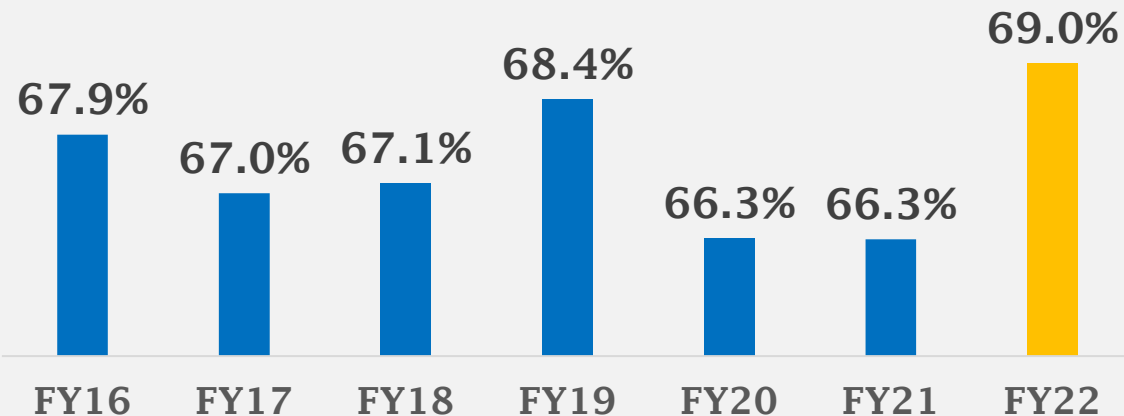
# ↑ KEY FINANCIAL METRICS ...



## OPERATIONAL REVENUE (Rs. Cr.)

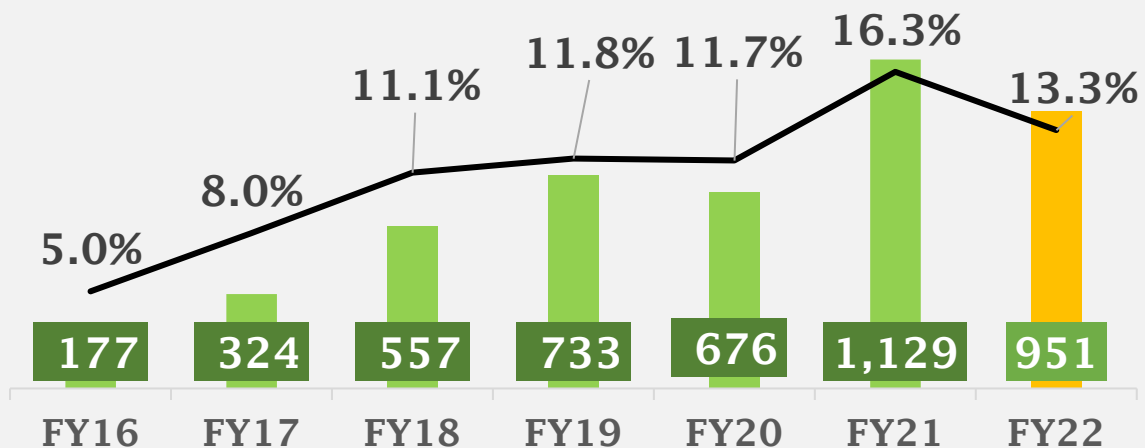


## Material Cost %

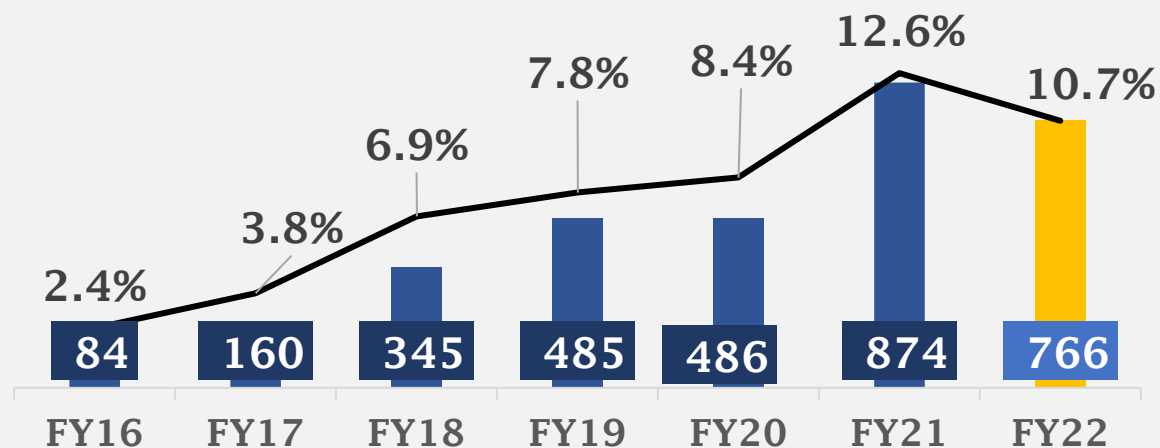


Adverse commodity prices

## EBITDA (Rs. Cr.) %



## PAT (Rs. Cr.) %

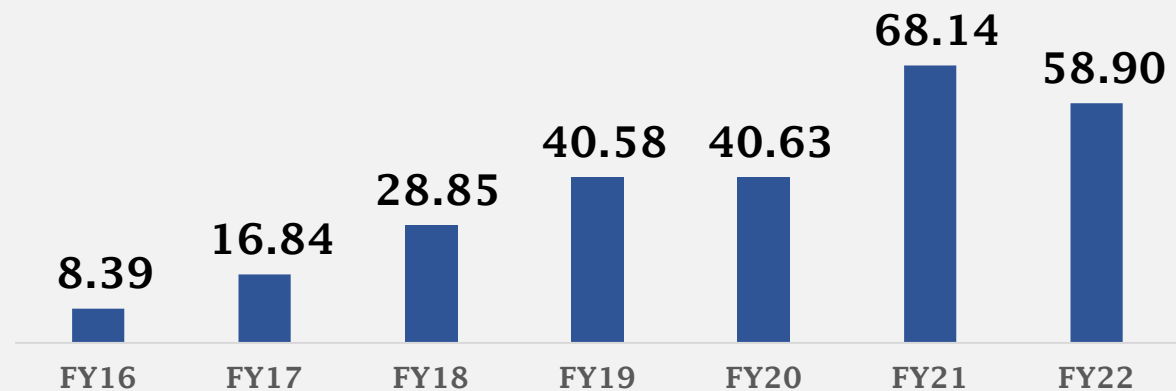


# ↑ KEY FINANCIAL METRICS ...



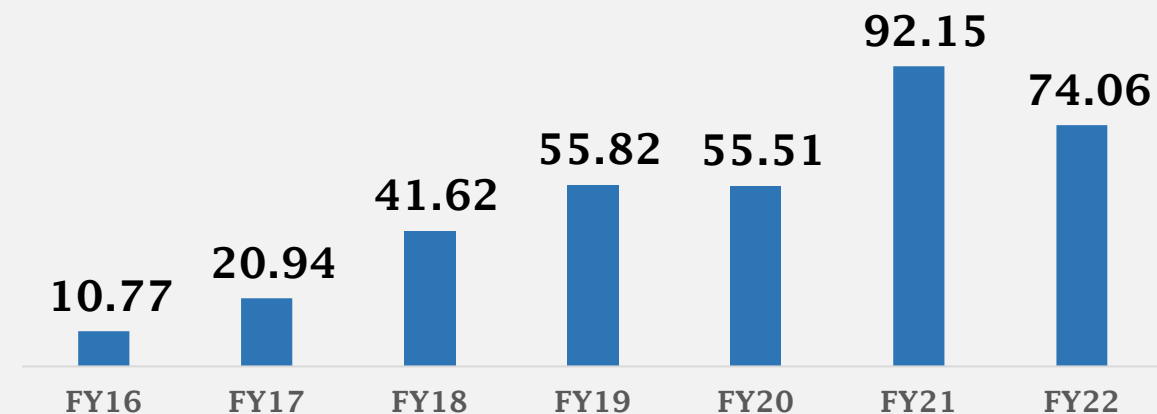
## EPS (₹)

Including  
Treasury Shares



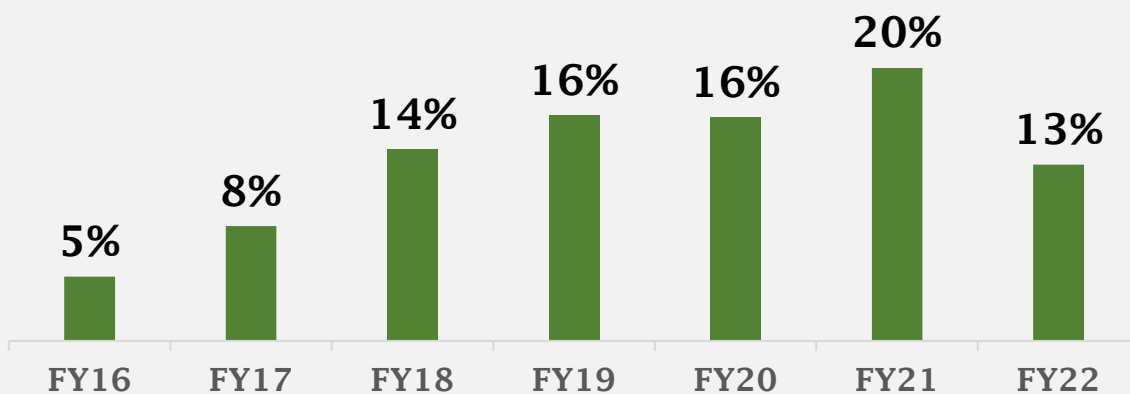
## EPS (₹)

Excluding  
Treasury Shares



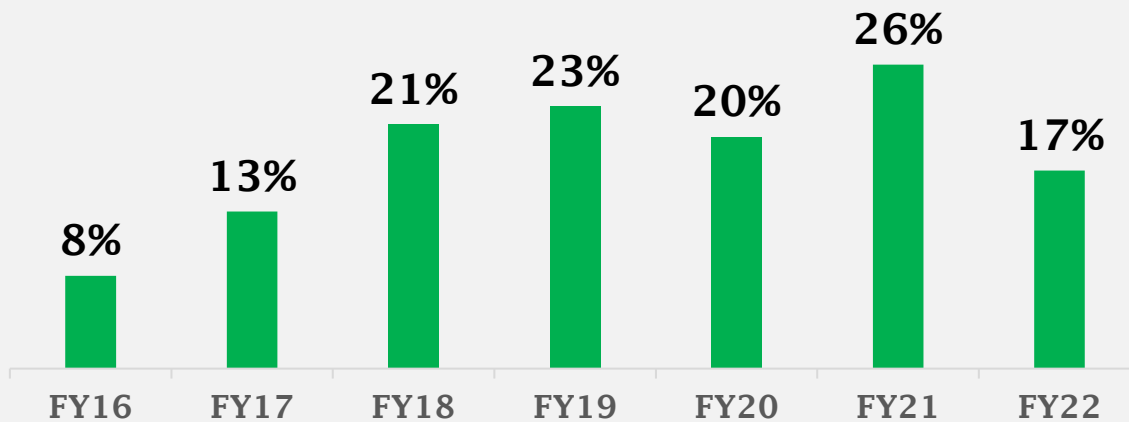
## ROE

%



## ROCE

%





# Credit Rating & Debt Profile



Long Term  
Credit  
Rating

(₹ Crs.)

LB3B-
LB3B
LB3B+
A-
A
A+
AA-
AA-
AA
AA

553

436

480

361

263

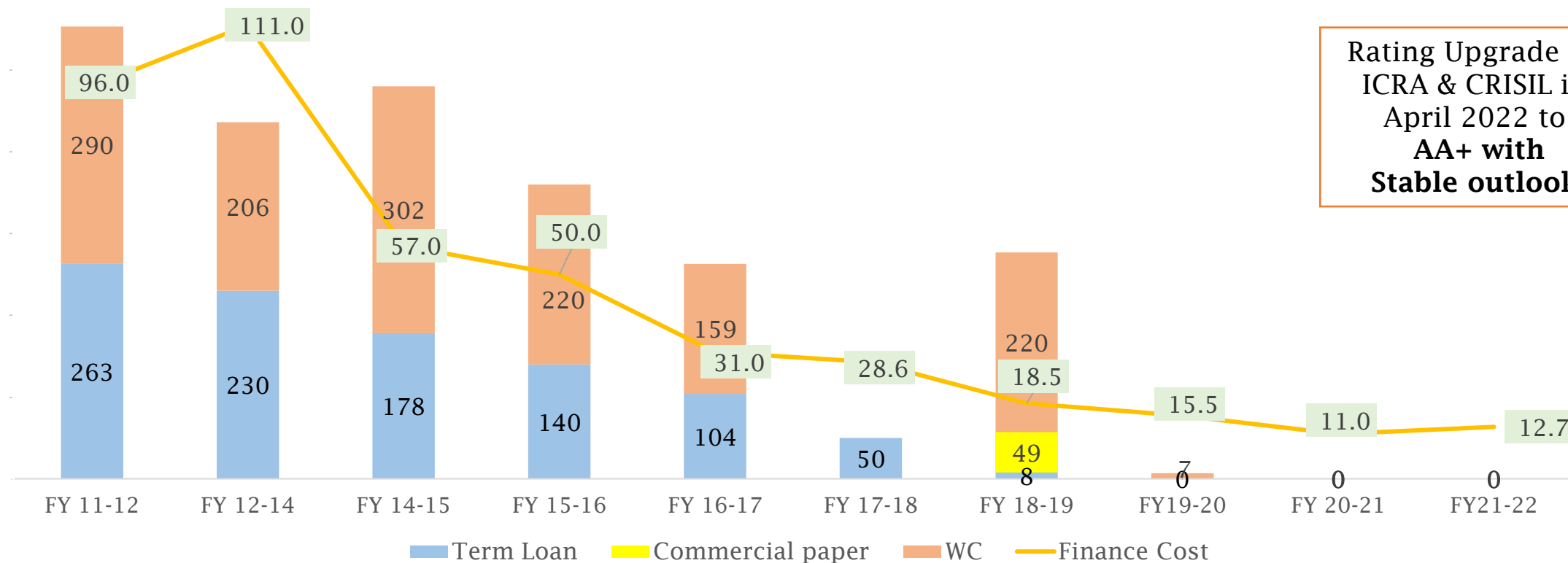
50

277

7

0

0



Rating Upgrade by  
ICRA & CRISIL in  
April 2022 to  
**AA+ with  
Stable outlook**

Please note:-

1. Nos. from FY 11-12 to FY 14-15 is as per IGAAP.

2. Finance Cost for FY 12-14 is for 18 months.

# ↑ SHAREHOLDING PATTERN



Category	March'2021	June'2021	Sept'2021	Dec'2021	Mar'2022	Post Open offer*
Promoters including trust	36.6	36.6	36.6	30.3	28.1	28.1
Kubota Corporation	9.1	9.1	9.1	10.0	16.4	44.8
Escrow Account (open offer)					39.4	
Institutions#	31.6	26.7	29.1	28.7	4.0	25.3
Public	20.6	25.5	23.2	28.9	10.4	
Non Promoter Non Public	2.1	2.1	2.1	2.2	1.8	1.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

\* Kubota corporation has become a joint promoter.

\* FPI/Financial Institutions/ Banks/Insurance Companies

As of quarter ended

**ESCORTS****Top 10 Shareholders As on 31-03-2022**

<b>Name</b>	<b>% to Equity</b>
KFIN TECHNOLOGIES ESCORTS OPEN OFFER ESCROW DEMATAACCOUNT	39.43
ESCORTS BENEFIT AND WELFARE TRUST (TRUSTEE - DR. SUTANU BEHURIA)	16.25
KUBOTA CORPORATION	9.29
HAR PARSHAD AND CO PVT LTD	7.97
KUBOTA CORPORATION	7.10
ESCORTS EMPLOYEES BENEFIT AND WELFARE TRUST (TRUSTEE - ANIL KUMAR CHANDRASHEKARAN)	1.80
BIG APPLE CLOTHING PRIVATE LIMITED	1.34
AAA PORTFOLIOS PRIVATE LIMITED	1.28
NIKHIL NANDA	0.63
INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	0.51
<b>Total</b>	<b>85.60</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



**SHAILENDRA AGRAWAL**

*Executive Director*

- Mechanical Engineer with 39 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 Agrovat 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**  
**President Agri Machinery & Construction Equipment Business**

- 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. Bharat Madan**  
**President Finance, Group CFO & 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. Ajay Mandahr**  
**CEO, Agri Business India**

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



**Mr. Sanjeev Bajaj**  
**Chief Executive, Escorts Construction Equipment**

- More than 25 years of rich and broad-based experience across revenue and profit centre management, warehousing operations, managing customer service organisations, spare parts and lubricant businesses..



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

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



**Mr. Amit Singhal**  
**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.

# 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**

**(President Finance, Group CFO & Corporate head)**

**+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