

Morgan Stanley

November 26, 2021

To,

Escorts Limited

15/5, Mathura Road,
Faridabad, Haryana, 121003

Dear Sir/ Madam,

Subject: Detailed Public Statement (“DPS”) in relation to the open offer to the Public Shareholders (as defined in the DPS) of Escorts Limited (“Target Company”) by Kubota Corporation (“Open Offer/ Offer”)

With respect to captioned Offer, the DPS dated 25 November, 2021, was published on 26 November, 2021, in the following newspapers:

Newspaper	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Satyajay Times	Hindi	Faridabad
Navshakti	Marathi	Mumbai

In accordance with the SEBI (SAST) Regulations, we hereby enclose a copy of the aforementioned DPS in relation to the Open Offer.

We request you to kindly disseminate the DPS on your website.

Should you require any further information / clarifications on the same, please contact the following persons:

Name	Designation	Contact	Email ID
Satyam Singhal	Vice President	+91 22 6118 1009	escorts_openoffer@morganstanley.com
Prakhar Jaju	Associate	+91 22 6118-1045	escorts_openoffer@morganstanley.com

Thanking you,




For and on behalf of **Morgan Stanley India Company Private Limited**

Morgan Stanley India Company
Private Limited

Registered Office:
18th Floor, Tower 2,
One World Center,
Plot – 841, Jupiter Textile Mill Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai 400 013, India

Morgan Stanley

tel (91) 22 6118 1000
fax (91) 22 6118 1011

Name: Sachin Wagle

Designation: Managing Director

Enclosed: Copy of the DPS published in the newspapers.

ESCORTS LIMITED

Registered Office: 15/5, Mathura Road, Faridabad, Haryana, 121003; Corporate Identification Number (CIN): L74899HR1944PLC039088
Tel: 0129 - 2250222; Fax: 0129 - 2250009 Website: www.escortsgroup.com

Open offer for acquisition of up to 37,491,556 fully paid-up equity shares of face value of ₹ 10 each ("Equity Shares"), representing 26.00% of the Expanded Voting Share Capital (as defined below) of Escorts Limited ("Target Company") from the Public Shareholders (as defined below) of the Target Company by Kubota Corporation ("Acquirer") pursuant to and in compliance with the requirements of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "SEBI (SAST) Regulations") (the "Open Offer" or "Offer"). No other person is acting in concert with the Acquirer for the purpose of this Open Offer.

This detailed public statement ("Detailed Public Statement" or "DPS") is being issued by Morgan Stanley India Company Private Limited, the manager to the Open Offer ("Manager" or "Manager to the Open Offer"), for and on behalf of the Acquirer, to the Public Shareholders (as defined below) of the Target Company, pursuant to and in compliance with Regulation 4 read with Regulation 13(4), Regulation 14(3), Regulation 15(2) and other applicable regulations of the SEBI (SAST) Regulations, as amended. This DPS is being issued pursuant to the public announcement dated 18 November 2021 ("Public Announcement" or "PA") filed with the Stock Exchanges (as defined below), Securities and Exchange Board of India ("SEBI") and sent to the Target Company on 18 November 2021.

For the purpose of this DPS:

- "Existing Share Capital"** means the total issued and paid-up equity share capital of the Target Company as on the date of this Detailed Public Statement, i.e., 134,834,566 Equity Shares (which includes 2,754,427 equity shares held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) that are reserved for providing Equity Shares to employees under the Target Company's stock option plan);
- "Expanded Voting Share Capital"** means the total equity share capital of the Target Company on a fully diluted basis expected as of the 10th Working Day from the closure of the Tendering Period for the Open Offer. This consists of: (i) Existing Share Capital; and (ii) 9,363,726 Equity Shares proposed to be allotted by the Target Company to the Acquirer pursuant to the Share Subscription Agreement (as defined below);
- "Public Shareholders"** means all the equity shareholders of the Target Company, including the non-promoter non-public shareholder of the Target Company, but excluding: (i) the Acquirer; (ii) the existing members of the promoter and promoter group of the Target Company ("Existing Promoters"); (iii) the parties to the Share Subscription Agreement (as set out in paragraph 2 of Part II (Background to the Open Offer) of this Detailed Public Statement); (iv) the parties to the Shareholders Agreement (as set out in paragraph 2 of Part II (Background to the Open Offer) of this Detailed Public Statement); and (v) the persons deemed to be acting in concert with the persons set out in (i) - (iv);
- "Required Statutory Approvals"** means: (i) an approval in writing granted by the Competition Commission of India under the Competition Act, 2002 to the Acquirer for consummation of the Transaction (as defined below); (ii) an approval in writing granted by the Reserve Bank of India ("RBI") in relation to the change of control of Escorts Finance Limited; and (iii) an approval in writing granted by the Securities and Exchange Board of India and the relevant stock exchanges for the indirect change in control of Escorts Securities Limited (an unlisted company) (if applicable);
- "Share Subscription Agreement"** as has been defined in paragraph 2 of Part II (Background to the Open Offer) of this Detailed Public Statement;
- "Shareholders Agreement"** as has been defined in paragraph 2 of Part II (Background to the Open Offer) of this Detailed Public Statement;
- "Stock Exchanges"** means BSE Limited and the National Stock Exchange of India Limited;
- "Tendering Period"** has the meaning ascribed to it under the SEBI (SAST) Regulations;
- "Transaction"** means collectively the Underlying Transaction and the Open Offer;
- "Underlying Transaction"** as has been defined in paragraph 4 of Part II (Background to the Open Offer) of this Detailed Public Statement; and
- "Working Day"** means any working day of SEBI.

I. ACQUIRER, PAC, TARGET COMPANY AND OPEN OFFER

(A) Details of Kubota Corporation (Acquirer):

- The Acquirer 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 Acquirer 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 the Acquirer since then. The contact details of the Acquirer are as follows: telephone number: +81-6-6648-2111 and fax number: +81-6-6648-3862.
- The Acquirer has its registered office at 2-47, Shikitsugihashi 1-chome, Naniwa-Ku, Osaka 556-8601, Japan.
- The Acquirer does not belong to any group.
- No other person is acting in concert with the Acquirer for the purpose of this Open Offer.
- The Acquirer 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).
- The securities of the Acquirer are not listed on any stock exchange in India. The common shares of the Acquirer are listed on a stock exchange outside India i.e., Tokyo Stock Exchange.
- The issued and paid-up share capital of the Acquirer is JPY 84,130 million (equivalent to INR 54,878 million, JPY to INR conversion has been assumed at a rate of JPY 100 = INR 65.23 as on 8 November 2021) divided into 1,208,576,846 fully paid-up equity shares.
- The Acquirer does not have a promoter and there is no person or entity which exercises control over the Acquirer. The details of substantial shareholders of the Acquirer, as on 30 June 2021, is as follows:

Key shareholders	Number of shares	Percentage of shareholding
The Master Trust Bank of Japan, Ltd. (Trust account)	133,359,100	11.04%
Nippon Life Insurance Company	62,542,265	5.18%

Source: Kubota Corporation Quarterly Report 2021 (2nd quarter ended 30 June, 2021)

Notes:

- There are no other shareholders holding more than 5% in the Acquirer as on 30 June 2021.
- Shareholding percentage is computed based on the total number of issued shares (excluding treasury shares).
- The Acquirer, its directors and key employees do not have any relationship with or interest in the Target Company other than: (i) Acquirer holding, as a public shareholder of the Target Company, 12,257,688 Equity Shares constituting 9.09% of the Existing Share Capital and constituting 8.50% of the Expanded Voting Share Capital of the Target Company⁸ that were allotted pursuant to the preferential allotment of the Equity Shares of the Target Company to the Acquirer on 16 July 2020; (ii) following directors of the Target Company have been nominated by the Acquirer effective from 16 July 2020: (a) Mr. Dai Watanabe; and (b) Mr. Yuji Tomiyama; (iii) joint ventures between the Acquirer and the Target Company in the name of, (a) Escorts Kubota India Private Limited to undertake the business of production of Acquirer tractors and Target Company tractors for the Indian and global markets, and (b) Kubota Agricultural Machinery India Private Limited to undertake the business of assembly, procurement, sales, and servicing, within India, of tractors, combine harvesters and rice transplanters, and other agricultural machineries, construction equipment, and industrial engines manufactured or assembled by the Acquirer (including those manufactured or assembled by the Acquirers' subsidiaries), as well as implements, accessories and spare parts of the foregoing; (iv) arrangement between the Acquirer and the Target Company with respect to sales collaboration in the tractor market; (v) certain arrangement with respect to distribution arrangement for finished products, parts and accessories between the aforementioned joint venture companies and the group companies of the Acquirer; (vi) technical collaboration between the Acquirer and aforementioned joint venture companies; and (vii) other day to day arrangement for co-operation on export of tractors and secondment of personnel between/amongst Acquirer, Target Company and the aforementioned joint venture companies; and (viii) Underlying Transaction, as detailed in Part II (Background to the Open Offer) of this Detailed Public Statement, that has triggered this Open Offer.
- The percentage of the Existing Share Capital held by the Acquirer in the Target Company and the percentage of the Expanded Voting Share Capital held by the Acquirer in the Target Company will increase (while the number of Equity Shares held by the Acquirer will remain the same) if the Ongoing Scheme of Capital Reduction (as defined in Part I(c)(8) of this Detailed Public Statement) becomes effective.
- The Acquirer has not acquired any Equity Shares of the Target Company between the date of the Public Announcement, i.e., 18 November 2021 and the date of this Detailed Public Statement.
- The following directors of the Target Company have been nominated by the Acquirer effective from 16 July 2020: (i) Mr. Dai Watanabe; and (ii) Mr. Yuji Tomiyama. Further, Mr. Dai Watanabe is also a director on the board of directors of the Acquirer.
- The Acquirer has not been prohibited by the SEBI, from dealing in securities, in terms of directions issued by SEBI under Section 11B of the Securities and Exchange Board of India Act, 1992, as amended (the "SEBI Act") or any other regulations made under the SEBI Act.
- The key financial information of the Acquirer based on its annual audited consolidated financial statements as on and for the financial years ended on 31 December 2018, 31 December 2019, 31 December 2020 and audited consolidated financials for the nine months period ended 30 September 2021, is as follows:

Post the Shareholders Agreement becoming effective, as soon as reasonably practicable, the name of the Target Company will be changed to "Escorts Kubota Ltd" or such other name containing the trade names: "Escorts" and "Kubota", as may be mutually agreed between the Acquirer, certain Existing Promoters (i.e., (i) Nikhil Nanda; (ii) Shweta Nanda; (iii) Navya Navelli Nanda; (iv) Agastya Nanda; (v) AAA Portfolios Private Limited; (vi) Big Apple Clothing Private Limited; and (vii) Har Parshad and Company Private Limited) and the Target Company, subject to applicable law.

- The Target Company has its registered office at 15/5, Mathura Road, Faridabad, Haryana, 121003.
- The Equity Shares of the Target Company are listed on the BSE Limited ("BSE") (Scrip Code: 500495) and the National Stock Exchange of India Limited ("NSE") (Symbol: ESCORTS). The ISIN of the Target Company is INE042A01014. The Equity Shares of the Target Company were listed on the Delhi Stock Exchange Limited ("DSE"). However, DSE has been de-recognized and allowed to exit as a stock exchange by SEBI by way of SEBI's Order No. WTM/SR/SEBI/MRD-DSA/04/01/2017 dated 23 January 2017. For avoidance of doubt, the securities of Target Company are not listed on DSE owing to DSE having been de-recognized by SEBI.
- The Target Company is engaged in the business of manufacturing and trading of tractors, construction, road, and material handling equipment, spares thereof, other equipment and manufacturing of railway equipment.
- The Equity Shares of the Target Company are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations.
- The total issued, subscribed and fully paid-up share capital of the Target Company is ₹ 1,348,345,660 divided into 134,834,566 fully paid-up equity shares of face value of ₹ 10 each.
- As on date of this DPS, equity shares aggregating to 2,754,427 equity shares are held by Escorts Employees Benefit and Welfare Trust, as a non-promoter non-public shareholder, that are reserved for providing Equity Shares to employees under the Target Company's stock option plan viz. "Escorts Limited - Employee Stock Option Scheme - 2006" (as amended).
- At present, there is an ongoing scheme for reduction of share capital between the Target Company and its shareholders under Section 66 of the Companies Act, 2013 ("Companies Act") read with Section 52 of the Companies Act and other applicable provisions of the Companies Act read with National Company Law Tribunal (Procedure for Reduction of Share Capital of Company) Rules, 2016 for the reduction of share capital of the Target Company i.e., cancellation and extinguishment of 12,257,688 Equity Shares (constituting 9.09% of the Existing Share Capital and constituting 8.50% of the Expanded Voting Share Capital of the Target Company) which is pending for approval before the Hon'ble National Company Law Tribunal, Chandigarh bench ("Ongoing Scheme of Capital Reduction").
- On 18 November 2021, the board of directors of the Target Company has decided to evaluate and consider in due course of time the feasibility of: (i) the amalgamation of Escorts Finance Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota India Private Limited with the Target Company; and (ii) the selective capital reduction of the issued, subscribed and paid-up equity share capital of the Target Company by cancelling and extinguishing Equity Shares which are currently held by the Escorts Benefit and Welfare Trust, without payment of any consideration to the aforesaid trust.
- On 18 November 2021, the board of directors of the Target Company took note that Mr. Nikhil Nanda (one of the Existing Promoters and the acting Chairman and Managing Director of the Target Company) is in discussions to be engaged in his individual capacity as a non-employee with the proposed designation of Senior Managing Executive Officer and General Manager of Value-Innovative Farm and Industrial Machinery Strategy and Operations of the Acquirer and as a Director of one of the group companies of the Acquirer i.e., Kubota Holdings Europe B.V., Netherlands in accordance with an agreement to be entered into in this regard. Mr. Nikhil Nanda's non-employee involvement in the foregoing capacity is not intended to interfere with his commitment and role as the Chairman and Managing Director of the Target Company. It is hereby clarified that no compensation, remuneration or any other kind of consideration is proposed to be payable by the Acquirer to Mr. Nikhil Nanda for the services proposed to be provided under the aforementioned arrangement.
- There are no: (i) partly paid up Equity Shares; or (ii) outstanding instruments in the nature of warrants or fully or partly convertible debentures/preference shares/employee stock options etc., which are convertible into Equity Shares at any later date; or (iii) Equity Shares of the Target Company which are forfeited or kept in abeyance; or (iv) Equity Shares which are locked-in. As mentioned above, there are 2,754,427 equity shares which are held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) that are reserved for providing Equity Shares to employees under the Target Company's stock option plan.
- The key financial information of the Target Company based on its annual audited consolidated financial statements as on and for the financial years ended on 31 March 2019, 31 March 2020, 31 March 2021 and limited review consolidated financials for the six months period ended 30 September 2021, is as follows:

(₹ in Million, except per share data)

Particulars	For the period/financial year ending			
	2019 ⁽¹⁾	2020 ⁽¹⁾	2021 ⁽¹⁾	Six month period from 1 April 2021 to 30 September 2021 ⁽¹⁾
Total Revenue ⁽²⁾	63,544	59,077	71,748	34,900
Net Income ⁽³⁾	4,789	4,723	8,715	3,514
Basic Earnings per share	55.82	55.04	92.15	35.75
Diluted Earnings per share	55.82	55.04	91.98	35.69
Net Worth/Shareholder's Funds ⁽⁴⁾	26,735	31,174	50,261	53,163

Notes:

- Source: Limited review consolidated financial statements as filed with BSE dated 29 October 2021 (Link: <https://www.bseindia.com/xml-data/corpfiling/AttachHis/4bc908d5-0376-4502-a225-8a96e6a9cca.pdf>)
- Source: Consolidated audited financial statements as filed with BSE dated 14 May 2021 (Link: <https://www.bseindia.com/xml-data/corpfiling/AttachHis/cb806a3b-a693-487c-800e-a3b9af688a88.pdf>)
- Source: Consolidated audited financial statements published in the Annual Report of the Target Company for the financial year ended 31 March 2020 (Link: <https://www.escortsgroup.com/Images/annualreport/Escorts-AR-2019-2020.pdf>)
- Refers to summation of (i) Revenue from Operations (ii) Other Income
- Excludes other comprehensive income and includes Share of profit / (loss) in associates. Does not include profit attributable to non-controlling interest
- Net worth includes Equity Share Capital and Other Equity, excludes non controlling interest
- All numbers are rounded off to the nearest million except per share data

(D) Details of the Open Offer:

- This Open Offer is a mandatory open offer made in compliance with Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to the execution of the Share Subscription Agreement and Shareholders Agreement to acquire and exercise control of and over the Target Company and to become joint promoter along with the Existing Promoters of the Target Company in accordance with the Shareholders Agreement. The PA announcing the Open Offer, under Regulation 4 read with Regulation 13(1) and Regulation 14(1) of the SEBI (SAST) Regulations, was sent to the Stock Exchanges on 18 November 2021. Please refer to Part II (Background to the Open Offer) of this Detailed Public Statement below for further information on the Share Subscription Agreement and the Shareholders Agreement.
- This Open Offer is being made by the Acquirer to the Public Shareholders to acquire up to 37,491,556 Equity Shares ("Offer Shares") constituting 26.00% of the Expanded Voting Share Capital ("Offer Size") held by the Public Shareholders, at a price of ₹ 2,000 per Offer Share ("Offer Price"), aggregating to a total consideration of ₹ 74,983,112,000 ("Maximum Consideration"), subject to the terms and conditions mentioned in the Public Announcement, this DPS and to be set out in the letter of Offer ("LOF" or "Letter of Offer") that is proposed to be issued in accordance with the applicable provisions of the SEBI (SAST) Regulations, after incorporating the comments of SEBI, if any, on the draft Letter of Offer. The percentage of the Offer Size will increase (while the number of Offer Shares i.e., Equity Shares constituting the Offer Size, will remain the same) if the Ongoing Scheme of Capital Reduction (as defined in Part I(c)(8) of this Detailed Public Statement) becomes effective.
- The Offer Price has been arrived in accordance with Regulation 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Open Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be the Maximum Consideration.
- The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in this DPS and the Letter of Offer that will be dispatched to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.
- If the aggregate number of Equity Shares validly tendered in this Open Offer by the Public Shareholders, is more than the Offer Size, then the Equity Shares validly tendered by the Public Shareholders will be accepted on a proportionate basis, subject to acquisition of a maximum of 37,491,556 Equity Shares, representing 26.00% of the Expanded Voting Share Capital, in consultation with the Manager to the Open Offer.
- The Public Shareholders who tender their Equity Shares in this Open Offer shall ensure that the Equity Shares are clear from all liens, charges and encumbrances. The Offer Shares will be acquired, subject to such Offer Shares being validly tendered in this Open Offer, together with all the rights attached thereto, including all the rights to dividends, bonuses and right offers declared thereof and in accordance with the terms and conditions set forth in the Public Announcement, this Detailed Public Statement and as will be set out in the Letter of Offer, and the tendering Public Shareholders shall have obtained all necessary consents required by them to tender the Offer Shares.
- As on the date of this DPS, the Expanded Voting Share Capital is 144,198,292 which consists of: (i) Existing Share Capital (i.e., 134,834,566 Equity Shares); and (ii) 9,363,726 Equity Shares proposed to be allotted by the Target Company to the Acquirer pursuant to the Share Subscription Agreement.
- As on the date of this DPS, there are no: (i) partly paid-up Equity Shares; or (ii) outstanding instruments in the nature of warrants or fully or partly convertible debentures/preference shares/employee stock options etc., which are convertible into Equity Shares at any later date; or (iii) Equity Shares of the Target Company which are forfeited or kept in abeyance; or (iv) Equity Shares which are locked-in. As mentioned above, there are 2,754,427 equity shares which are held by Escorts Employees Benefit and Welfare Trust (as a non-promoter non-public shareholder) that are reserved for providing Equity Shares to employees under the Target Company's stock option plan.
- All Public Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.
- Part VI (Statutory and Other Approvals) of this Detailed Public Statement sets out the details of the statutory, governmental and other approvals required under the Share Subscription Agreement which, if not obtained, may lead to the Open Offer being withdrawn in accordance with Regulation 23 of the SEBI (SAST) Regulations.

- Paragraph 7 (ii) of Part II (Background to the Open Offer) of this Detailed Public Statement sets out the details on conditions precedent stipulated in the Share Subscription Agreement which, if not met for reasons outside the reasonable control of the Acquirer (other than Preferential Issue Shareholder Approval (as defined below) and Preferential Issue Stock Exchange Approvals (as defined below)), may lead to the Transaction being withdrawn in accordance with Regulation 23 of the SEBI (SAST) Regulations.
- This Open Offer is not conditional upon any minimum level of acceptance in terms of Regulation 19(1) of the SEBI (SAST) Regulations.
- This Open Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- Where any statutory or other approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory or other approvals are required in order to complete this Open Offer.
- The Acquirer does not have any intention to alienate (whether by way of sale or lease) or otherwise encumber any material assets of the Target Company or of any of its subsidiaries in the 2 (two) years from completion of the Open Offer, except: (i) in the ordinary course of business (including for the disposal of assets and creation of encumbrances in accordance with business requirements); or (ii) with the prior approval of the shareholders as required under applicable law, including in accordance with the proviso to Regulation 25(2) of the SEBI (SAST) Regulations; or (iii) in accordance with the prior decision of the board of directors of the Target Company; or (iv) on account of regulatory approvals or conditions or compliance with any law that is binding on or applicable to the operations of the Target Company or its subsidiaries.
- As per Regulation 38 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended ("SEBI (LODR) Regulations") read with Rules 19(2) and 19A of the Securities Contract (Regulation) Rules, 1957, as amended ("SCRR"), the Target Company is required to maintain at least 25.00% public shareholding as determined in accordance with SCRR, on a continuous basis for listing. Pursuant to the consummation of the Share Subscription Agreement and the completion of this Open Offer, the public shareholding in the Target Company will not fall below the minimum level required as per Rule 19A of the SCRR.
- The Manager to the Open Offer does not hold any Equity Shares of the Target Company. The Manager to the Open Offer shall not deal, on its own account, in the Equity Shares of the Target Company during the Offer Period.

II. BACKGROUND TO THE OPEN OFFER

- This Open Offer is a mandatory open offer made in compliance with Regulation 4 and other applicable regulations of the SEBI (SAST) Regulations pursuant to the execution of the Share Subscription Agreement and Shareholders Agreement to acquire and exercise control of and over the Target Company and to become joint promoter along with the Existing Promoters of the Target Company in accordance with the Shareholders Agreement.
- The Acquirer has entered into a: (i) share subscription agreement dated 18 November 2021 with the Target Company as well as certain Existing Promoters (i.e., (a) Nikhil Nanda; (b) Shweta Nanda; (c) Navya Navelli Nanda; (d) Agastya Nanda; (e) AAA Portfolios Private Limited; (f) Big Apple Clothing Private Limited; (g) Har Parshad and Company Private Limited; and (h) Escorts Benefit and Welfare Trust) (the "Share Subscription Agreement"), as per the Share Subscription Agreement, the Acquirer shall subscribe to 9,363,726 Equity Shares at ₹ 2,000 per Equity Share by way of preferential allotment, subject to the satisfaction of certain conditions precedent (including, but not limited to, receipt of the Required Statutory Approvals) prescribed thereunder, the Equity Shares proposed to be issued to the Acquirer will constitute 6.49% of the Expanded Voting Share Capital; and (ii) shareholders agreement dated 18 November 2021 with the Target Company as well as certain Existing Promoters (i.e., (a) Nikhil Nanda; (b) Shweta Nanda; (c) Navya Navelli Nanda; (d) Agastya Nanda; (e) AAA Portfolios Private Limited; (f) Big Apple Clothing Private Limited; (g) Har Parshad and Company Private Limited; and (h) Escorts Benefit and Welfare Trust) (the "Shareholders Agreement"), wherein it is proposed that the Acquirer will acquire and exercise control of and over the Target Company and become a joint promoter along with the Existing Promoters of the Target Company, upon the Shareholders Agreement becoming effective after the completion of the Open Offer on the condition that the Acquirer holds at least 16.38% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective) in the Target Company as per the terms set out in the Shareholders Agreement.
- As the intent of the Acquirer is to acquire and exercise control of and over the Target Company pursuant to the Underlying Transaction and to become a joint promoter along with the Existing Promoters of the Target Company, and given that the Acquirer will be acquiring and exercising control of and over the Target Company and become a joint promoter along with the Existing Promoters of the Target Company in accordance with the Shareholders Agreement, this mandatory Open Offer is being made by the Acquirer in compliance with Regulation 4 of the SEBI (SAST) Regulations. Pursuant to the completion of the Transaction (i.e., completion of the Underlying Transaction and upon completion of the Open Offer), the Acquirer, subject to holding at least 16.38% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective) in the Target Company, will have control of and over the Target Company and the Acquirer shall become the joint promoter along with the Existing Promoters of the Target Company, including in accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The proposed preferential allotment pursuant to the Share Subscription Agreement, the acquisition and exercise of control of and over the Target Company by the Acquirer and the Acquirer becoming a joint promoter along with the Existing Promoters of the Target Company pursuant to the Shareholders Agreement (as explained in paragraphs 2 and 3 of Part II (Background to the Open Offer) of this Detailed Public Statement) is collectively referred to as the "Underlying Transaction". A tabular summary of the Underlying Transaction is set out below:

Type of transaction (direct/indirect)	Mode of transaction* (Agreement/Allotment/market purchase)	Equity Shares/Voting rights acquired/proposed to be acquired		Total consideration for Equity Shares/Voting Rights (VR) acquired (Indian Rupees)	Mode of payment (Cash/ securities)	Regulation which has triggered
		Number	% vis-à-vis total equity / voting capital			
Direct	(i) Agreement - Execution of the Share Subscription Agreement for the preferential allotment of the Equity Shares of the Target Company to the Acquirer subject to receipt of the Required Statutory Approvals and satisfaction of certain other conditions precedent specified in the Share Subscription Agreement. (ii) Agreement - Execution of the Shareholders Agreement for the acquisition and exercise of control by the Acquirer of and over the Target Company and to become a joint promoter along with the Existing Promoters of the Target Company.	9,363,726 Equity Shares (under the Share Subscription Agreement)	6.49% of the Expanded Voting Share Capital (under the Share Subscription Agreement).	₹ 18,727,452,000 (under the Share Subscription Agreement)	Cash (under the Share Subscription Agreement)	Regulation 4 of the SEBI (SAST) Regulations.

* Please refer to paragraphs 2 and 3 of Part II (Background to the Open Offer) of this Detailed Public Statement for further details in connection with the Underlying Transaction.

- The Acquirer will ensure compliance with Regulation 22(2A) of the SEBI (SAST) Regulations in case any Equity Shares proposed to be issued pursuant to the Share Subscription Agreement, are allotted to the Acquirer during the Offer Period.
- The salient features of the Share Subscription Agreement are set out below:
 - The Share Subscription Agreement sets forth the terms and conditions agreed amongst the Acquirer, the Target Company and certain Existing Promoters and their respective rights and obligations.
 - the consummation of the Underlying Transaction is subject to the fulfillment of the conditions precedent as specified under the Share Subscription Agreement, including the following key conditions precedent:
 - the Required Statutory Approvals having been obtained or deemed by applicable laws to have been obtained (e.g., as a result of the lapse, expiration or termination of the applicable waiting periods) by the Acquirer and/or the Target Company, as applicable;
 - the Target Company having obtained the consent of IDBI Bank Limited and the other members of the consortium for the consummation of the transactions contemplated under the Share Subscription Agreement, and the change of control of the Target Company upon the effectiveness of the Shareholders Agreement;
 - the Target Company having obtained the consent of ICICI Bank Limited for the consummation of the transactions contemplated under the Share Subscription Agreement, and the change of control of the Target Company upon the effectiveness of the Shareholders Agreement;
 - the Target Company not being in breach of the Company Warranties (as defined in the Share Subscription Agreement), obligations or covenants and no material adverse effect (as defined in the Share Subscription Agreement) having occurred;
 - no restriction under applicable law being in effect that restricts or otherwise prevents the parties to the Share Subscription Agreement from consummating the transactions contemplated under the Share Subscription Agreement;
 - certain identified agreements to be executed between certain identified individuals (including key managerial personnel) to be in form as may be agreed between the Acquirer and the Target Company;
 - approval of the shareholders of the Target Company approving *inter-alia*, the restated articles of association of the Target Company, increasing the maximum number of directors on the board of directors of the Target Company to eighteen (18);
 - the Target Company to notify (in advance) to IDBI Bank Limited and the other members of the consortium about the proposed adoption of the Restated Articles of Association by the shareholders of the Target Company;
 - approval of the shareholders of the Target Company approving the preferential issue contemplated under the Share Subscription Agreement ("Preferential Issue Shareholder Approval");
 - Target Company to procure from the stock exchanges listing and trading approvals in relation to the Equity Shares that will be issued and allotted to the Acquirer by way of the preferential issue contemplated under the Share Subscription Agreement ("Preferential Issue Stock Exchanges Approval");
 - The Share Subscription Agreement, *inter-alia*, provides for the following clauses:
 - customary warranties (backed by indemnity, and subject to customary exclusions) provided by the Target Company to the Acquirer and by the Acquirer to the Target Company;
 - the Target Company to conduct its business in the Ordinary Course (as identified in the Share Subscription Agreement);
 - confidentiality clause that provides for standard obligations on the Acquirer and the Target Company to maintain confidentiality;
 - notice clause that sets out the various prescriptions with respect to the mode of communication between the Acquirer and the Target Company and provides the respective addresses for the purpose of such correspondence; and
 - governing law and jurisdiction clause that sets out the governing law for the Share Subscription Agreement to be the laws of India as well as sets out the dispute resolution mechanism in the event of any dispute with respect to the Share Subscription Agreement that may arise between the parties to the Share Subscription Agreement.
- The salient features of the Shareholders Agreement are set out below:
 - The Shareholders Agreement sets forth the terms and conditions agreed amongst the Acquirer, Target Company and certain Existing Promoters with respect to their rights and obligations, *inter-alia*, in relation to acquisition and exercise of control of and over the Target Company by the Acquirer along with certain Existing Promoters;

continued on next page...

(ii) the Shareholders Agreement shall become effective after the completion of the Open Offer on the condition that the Acquirer holds at least 16.38% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective) in the Target Company as per the terms set out in the Shareholders Agreement;

(iii) upon the Shareholders Agreement becoming effective, (a) if the Acquirer holds such number of Equity Shares in the Target Company that constitute less than 40% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective), the size of the board of directors of the Target Company (subject to applicable law) shall comprise of sixteen (16) directors, out of which eight (8) shall be independent directors and eight (8) shall be non-independent directors; and (b) if the Acquirer holds such number of Equity Shares in the Target Company that constitutes equal to or more than 40% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective), the size of the board of directors of the Target Company (subject to applicable law) shall comprise of eighteen (18) directors, out of which nine (9) shall be independent directors and nine (9) shall be non-independent directors;

(iv) the Acquirer will have the right to nominate the following number of non-independent directors on the board of directors of the Target Company (individually referred to as "Acquirer Nominee Director"): (a) if the Acquirer holds such number of Equity Shares in the Target Company that constitute less than 40% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective), it will have the right to nominate four (4) out of the eight (8) non-independent directors on the board of directors of the Target Company; and (b) if the Acquirer holds such number of Equity Shares in the Target Company that constitutes equal to or more than 40% of the Expanded Voting Share Capital (assuming that the Ongoing Scheme for Capital Reduction has become effective), it will have the right to nominate five (5) out of the nine (9) non-independent directors on the board of directors of the Target Company;

(v) certain Existing Promoters (i.e., (a) Nikhil Nanda; (b) Shweta Nanda; (c) Navya Naveeli Nanda; (d) Agastya Nanda; (e) AAA Portfolios Private Limited; (f) Big Apple Clothing Private Limited; and (g) Har Parshad and Company Private Limited) will have the right to nominate four (4) non-independent directors on the board of directors of the Target Company (individually referred to as "Specified Promoters Nominee Director");

(vi) each of the Acquirer and the certain Existing Promoters will have the right to request the removal of its respective nominee director and will be entitled to nominate another director in place of the nominee director so removed. In case of resignation, retirement, removal, or vacation from office of a nominee director for any reason, the party which nominated such nominee director shall have the right to nominate another director in place of such nominee director;

(vii) subject to the terms set out in the Shareholders Agreement, the quorum for the meeting of the board of directors of the Target Company, *inter-alia*, will require presence of at least one (1) Acquirer Nominee Director and one (1) Specified Promoter Nominee Director. In the event a valid quorum is not present within 1 (one) hour of the scheduled time for any meeting of the board of directors of the Target Company, then such meeting of the board of directors of the Target Company will stand automatically adjourned to the same day in the next week, at the same time and place, or if that day is not a business day, on the next business day, at the same time and place. At such adjourned meeting of the board of directors of the Target Company, if any of the Acquirer's Nominee Director or Specified Promoters' Nominee Director is not present, but there is adequate quorum under applicable law, then all matters, other than the Reserved Matters (as defined below), set out in the agenda for the meeting of the board of directors of the Target Company will be considered and voted upon in the adjourned meeting, provided no agenda items which were not specifically set out on the agenda for the meeting of the board of directors of the Target Company, which was adjourned, may be considered. Notwithstanding this, in the event that there is any Reserved Matter included in an agenda of a meeting of the board of directors of the Target Company, such meeting must be convened and its quorum will be considered adequate under applicable law, and if only there is at least one (1) Acquirer's Nominee Director and one (1) Specified Promoters' Nominee Director present at the said meeting and a Mutual Consent (as defined below) has been obtained in accordance with the Shareholders Agreement;

(viii) Acquirer and certain Existing Promoters (i.e., (a) Nikhil Nanda; (b) Shweta Nanda; (c) Navya Naveeli Nanda; (d) Agastya Nanda; (e) AAA Portfolios Private Limited; (f) Big Apple Clothing Private Limited; and (g) Har Parshad and Company Private Limited) to jointly appoint the chairman and managing director of the Target Company subject to the terms of the Shareholders Agreement;

(ix) upon the Shareholders Agreement becoming effective, a reserved matter committee comprising of: (a) two (2) of Acquirer Nominee Directors; and (b) two (2) Specified Promoters Nominee Directors ("Reserved Matters Committee") shall be constituted. The quorum for the Reserved Matters Committee will be at least one (1) Acquirer Nominee Director and one (1) Specified Promoters Nominee Director and a decision of the Reserved Matters Committee in relation to a Reserved Matter (as defined below) shall be approved by at least one (1) Acquirer Nominee Director and one (1) Specified Promoter Director ("Mutual Consent"). The Mutual Consent will be then communicated to the board of directors of the Target Company. In the event of a rejection or disapproval or non-communication by the Reserved Matters Committee of its Mutual Consent in relation to a Reserved Matter, such Reserved Matter will not be included in the meeting agenda item to be placed for approval of the relevant meeting of the board of directors of the Target Company (or any of the committee of the board of directors of the Target Company) or shareholders of the Target Company (as applicable).

(x) A brief overview of the reserved matters ("Reserved Matters") prescribed by the Shareholders Agreement is set out below:

- (a) any amendments or modifications to the articles of association or memorandum of association of the Target Company or any of its subsidiaries or its affiliates which are under the control of the Target Company ("Controlled Affiliates");
- (b) any acquisition, change, disposal or transfer of any assets of the Target Company or its Controlled Affiliates having fair value in excess of the threshold provided under the Shareholders Agreement, other than as in the ordinary course of business or as provided in the business plan;
- (c) any merger, de-merger, re-organization, dissolution, winding up or liquidation of the Target Company or its Controlled Affiliates (subject to meeting of certain thresholds) or any initiation of or engaging in any new line of business and any material re-organisation of the business of the Target Company;
- (d) any action that impacts the capital or voting structure or control of the Target Company or its Controlled Affiliates, including, issuance of or alteration of the terms of any securities or instruments representing ownership or voting interest in the Target Company or buyback, delisting (as applicable) or redemption of any securities of the Target Company or its Controlled Affiliates;
- (e) change to the size or composition of the board of directors of the Target Company or its committees or that of the board of directors/committees of its Controlled Affiliates;
- (f) amendment to any business plan (which will include, among other things, items of capital expenditures, items of operating expenditures, sources of financing or funds (including, incurring liabilities)) and business strategy, of the Target Company or its Controlled Affiliates;
- (g) undertaking any material related party transaction (as per applicable law) with respect to the Target Company or its Controlled Affiliates;
- (h) approval (including, any amendment) of brand strategy plan of the Target Company or its Controlled Affiliates;
- (i) appointment or removal of key management personnel (as defined in the Shareholders Agreement) of the Target Company (other than for managing director) or any change in the delegation of Authority Matrix (as defined in the Shareholders Agreement) related to key management personnel;
- (j) any matters which require a special resolution to be passed by the shareholders of the Target Company or by the shareholders of the Controlled Affiliates;
- (k) entering into any agreement or arrangement in relation to any of the items mentioned in (a) – (j) above.

(xi) The Shareholders Agreement, *inter-alia*, provides for the following clauses:

- (a) customary warranties provided by each party under the Shareholders Agreement to each other;
- (b) confidentiality clause that provides for standard obligations on each party to the Shareholders Agreement to maintain confidentiality;
- (c) notice clause that sets out the various prescriptions with respect to the mode of communication amongst the parties to the Shareholders Agreement and provides the respective addresses for such correspondence; and
- (d) governing law and jurisdiction clause that sets out the governing law for the Shareholders Agreement to be the laws of India as well as sets out the dispute resolution mechanism in the event of any dispute with respect to the Shareholders Agreement that may arise between the parties to the Shareholders Agreement.

8. The Offer Price shall be payable in cash in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations, and subject to the terms and conditions set out in this DPS and the Letter of Offer that will be dispatched to the Public Shareholders in accordance with the provisions of the SEBI (SAST) Regulations.

9. **Object of the Offer:** The Open Offer is being made under Regulation 4 of the SEBI (SAST) Regulations since the Acquirer has entered into the Share Subscription Agreement and the Shareholders Agreement pursuant to which the Acquirer intends to acquire and exercise control of and over the Target Company and become a joint promoter along with the Existing Promoters of the Target Company in accordance with the terms of the Shareholder Agreement. Following the completion of the Open Offer and also the Shareholders Agreement coming into effect, the Acquirer intends to support the management of the Target Company in its efforts towards the sustained growth of the Target Company. The Target Company is engaged in the business of manufacturing and trading of tractors, construction, road, and material handling equipment, spares thereof, other equipment and manufacturing of railway equipment. Further, the Acquirer will strive to utilize combined resources of the Acquirer and the Target Company in an effective manner and further strengthen the partnership between the Acquirer and the Target Company. Also, the Acquirer will strive to provide complete range of quality and affordable high-performance to basic tractors, by utilizing the Target Company's knowhow and the Acquirer's accumulated product development knowledge and capabilities to improve quality and productivity in the R&D, procurement and manufacturing functions to global standards, in the fields of distribution and service. Further, the Acquirer will strive to effectively utilize both companies' distribution networks by offering a wide range of products offerings, ranging from high-performance tractors to basic tractors.

10. The Acquirer does not have any intention to alienate (whether by way of sale or lease) or otherwise encumber any material assets of the Target Company or any of its subsidiaries in the 2 (two) years from completion of the Open Offer, except: (i) in the ordinary course of business (including for the disposal of assets and creation of encumbrances in accordance with business requirements); or (ii) with the prior approval of the shareholders as required under applicable law, including in accordance with the proviso to Regulation 25(2) of the SEBI (SAST) Regulations; or (iii) in accordance with the prior decision of the board of directors of the Target Company; or (iv) on account of regulatory approvals or conditions or compliance with any law that is binding on or applicable to the operations of the Target Company or its subsidiaries.

11. On 18 November 2021, the board of directors of the Target Company has decided to evaluate and consider in due course of time the feasibility of: (i) the amalgamation of Escorts Finance Limited, Kubota Agricultural Machinery India Private Limited and Escorts Kubota India Private Limited with the Target Company; and (ii) the selective capital reduction of the issued, subscribed and paid-up equity share capital of the Target Company by cancelling and extinguishing Equity Shares which are currently held by the Escorts Benefit and Welfare Trust, without payment of any consideration to the aforesaid trust.

III. SHAREHOLDING AND ACQUISITION DETAILS

1. The current and proposed shareholding of the Acquirer in the Target Company and the details of acquisition are as follows:

Details	Acquirer	
	No.	%*
Shareholding as on the PA date.	12,257,688 Equity Shares held as a public shareholder of the Target Company	9.09% of the Existing Share Capital and constituting 8.50% of the Expanded Voting Share Capital of the Target Company.
Shares acquired between the PA date and the DPS date.	Nil	Nil
Post Offer shareholding as of 10 th Working Day after the closure (including the shareholding after completion of the preferential issue contemplated under the Share Subscription Agreement) (assuming no Equity Shares tendered in the Open Offer).	21,621,414 Equity Shares	14.99% of the Expanded Voting Share Capital of the Target Company.
Post Offer shareholding as of 10 th Working Day after the closure of the open Offer (including the shareholding after completion of the preferential issue contemplated under the Share Subscription Agreement) (assuming the entire 26.00% is tendered in the Open Offer).	59,112,970 Equity Shares	40.99% of the Expanded Voting Share Capital of the Target Company.

* The percentage of the Existing Share Capital held by the Acquirer in the Target Company and the percentage of the Expanded Voting Share Capital held by the Acquirer in the Target Company (as the case may be) will increase (while the number of Equity Shares held by the Acquirer will remain the same) if the Ongoing Scheme of Capital Reduction (as defined in Part I(C)(8) of this Detailed Public Statement) becomes effective.

2. Other than the Acquirer holding as a public shareholder, 12,257,688 Equity Shares of the Target Company constituting 9.09% of the Existing Share Capital and constituting 8.50% of the Expanded Voting Share Capital of the Target Company, the Acquirer and its directors do not have any shareholding in the Target Company as on the date of this Detailed Public Statement.

IV. OFFER PRICE

1. The Equity Shares of the Target Company are listed on BSE and NSE. The Equity Shares of the Target Company were listed on the DSE. However DSE has been de-recognized and allowed to exit as a stock exchange by SEBI by way of SEBI's Order No. WTM/SR/SEBI /MRD-DSA/04/01/2017 dated 23 January 2017.

2. The trading turnover in the Equity Shares of the Target Company based on the trading volumes during the twelve calendar months prior to the calendar month in which the PA is made, i.e., 1 November 2020 to 31 October 2021 ("Relevant Period") on BSE and NSE is as under:

Stock Exchanges	Total No. of Equity Shares of the Target Company traded during the Relevant Period (A)	Total No. of Equity Shares of the Target Company during the Relevant Period (B)*	Traded turnover percentage (A/B)
BSE	22,561,776	134,834,566	16.73%
NSE	378,440,547	134,834,566	280.67%

Source: Certificate dated 18 November 2021 issued by M/s. R.D. Sarfare & Co., Chartered Accountants, (Rajesh Sarfare, Partner, Membership No. 140399).

3. Based on the above, in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares of the Target Company are frequently traded.

4. The Offer Price of ₹ 2,000 per Equity Share is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations, being the highest of:

A	Highest negotiated price per Equity Share of the Target Company for acquisition under the agreement attracting the obligation to make a public announcement of Equity Share an open offer (i.e., the above-mentioned Share Subscription Agreement read with the Shareholders Agreement)	₹ 2,000.00 per Equity Share
B	Volume-weighted average price paid or payable for acquisitions, whether by the Acquirer or by the person acting in concert with the Acquirer (the "PAC"), during the fifty-two weeks immediately preceding the date of the public announcement i.e., 18 November 2021	Not Applicable ¹
C	Highest price paid or payable for any acquisition, whether by the Acquirer or by the PAC, during the twenty-six weeks immediately preceding the date of the public announcement i.e., 18 November 2021	Not Applicable ²
D	Volume-weighted average market price of such Equity Shares for a period of sixty trading days immediately preceding the date of the public announcement i.e., 18 November 2021 as traded on the stock exchange where the maximum volume of trading in the Equity Shares of the Target Company are recorded during such period, provided such Equity Shares are frequently traded	₹ 1,465.86 per Equity Share
E	Where the Equity Shares are not frequently traded, the price determined by the Acquirer and the manager to the open offer taking into account valuation parameters including, book value, comparable trading multiples, and such other parameters as are customary for valuation of Equity Shares of the Target Company.	Not Applicable ³
F	Per equity share value computed under Regulation 8(5) of the SEBI (SAST) Regulations, if applicable	Not Applicable ⁴

Source: Certificate dated 18 November 2021 issued by M/s. R.D. Sarfare & Co., Chartered Accountants, (Rajesh Sarfare, Partner, Membership No. 140399).

Notes:

1. The Acquirer has not acquired any shares in the Target Company in the past fifty-two weeks immediately preceding the date of the public announcement i.e. 18 November 2021. There is no person acting in concert with the Acquirer for the purposes of this Open Offer.
2. The Acquirer has not acquired any shares in the Target Company in the past twenty-six weeks immediately preceding the date of the public announcement i.e. 18 November 2021;
3. The Equity Shares of the Target Company are frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations;
4. The acquisition is not an indirect acquisition under Regulation 5 of the SEBI (SAST) Regulations.

5. In view of the parameters considered and presented in the table in paragraph 4 above, the minimum offer price per Equity Share, under Regulation 8(2) of the SEBI (SAST) Regulations, is the highest of item numbers A to F above, i.e., is ₹ 2,000 per Equity Share, and the same has been certified by M/s. R.D. Sarfare & Co., Chartered Accountants, (Rajesh Sarfare, Partner, Membership No. 140399), by way of certificate dated 18 November 2021.

6. There have been no corporate actions by the Target Company warranting adjustment of the relevant price parameters under Regulation 8(9) of the SEBI (SAST) Regulations.

7. As on the date of this Detailed Public Statement, there is no revision in Offer Price or Offer Size. In case of any revision in the Offer Price or Offer Size, the Acquirer shall comply with Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations and other applicable provisions of the SEBI (SAST) Regulations.

8. In terms of Regulations 18(4) and 18(5) of the SEBI (SAST) Regulations, the Offer Price or the Offer Size may be revised at any time prior to the commencement of the last 1 Working Day before the commencement of the Tendering Period. In the event of such revision: (i) the Acquirer shall make corresponding increases to the Escrow Amount (as defined below); (ii) make a public announcement in the same newspapers in which this Detailed Public Statement has been published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.

9. In the event of acquisition of the Equity Shares by the Acquirer, during the Offer Period, whether by subscription or purchase, at a price higher than the Offer Price per Equity Share, the Offer Price will be revised upwards to be equal to or more than the highest price paid for such acquisition in terms of Regulation 8(8) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirer shall: (i) make corresponding increases to the Escrow Amount (as defined below); (ii) make a public announcement in the same newspapers in which this DPS has been published; and (iii) simultaneously with the issue of such public announcement, inform SEBI, the Stock Exchanges, and the Target Company at its registered office of such revision. However, the Acquirer shall not acquire any Equity Shares after the 3rd Working Day prior to the commencement of the Tendering Period of this Open Offer and until the expiry of the Tendering Period of this Open Offer.

10. If the Acquirer acquires Equity Shares of the Target Company during the period of twenty-six weeks after the closure of the Tendering Period at a price higher than the Offer Price per Equity Share, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Open Offer within 60 days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another offer under the SEBI (SAST) Regulations, as amended from time to time or Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021, as amended from time to time or open market purchases made in the ordinary course on the Stock Exchanges, not being a negotiated acquisition of the Equity Shares in any form.

V. FINANCIAL ARRANGEMENTS

1. The total consideration for the Offer Size at the Offer Price, assuming full acceptance of the Offer, is the Maximum Consideration i.e., INR ₹ 74,963,112,000.

2. In accordance with Regulation 17 of the SEBI (SAST) Regulations, the Acquirer has opened an escrow account under the name and title of "KUBOTA Corporation – Open Offer Escrow Account" (the "Escrow Account") with ICICI Bank Limited, a banking corporation incorporated under the laws of India and having its branch office at Capital Market Division, 122, 1st Floor, Mistry Bhavan, Dinshaw Vachha Marg, Backbay Reclamation, Churchgate, Mumbai - 400020, India (the "Escrow Agent") pursuant to an escrow agreement entered into by the Acquirer with the Escrow Agent and the Manager (the "Escrow Agreement") and have made a cash deposit in such Escrow Account of an amount of ₹ 8,248,311,200 ("Escrow Amount"), being the amount as specified under Regulation 17(1) of the SEBI (SAST) Regulations (i.e., 25.00% of the first ₹ 5,000 million of the Maximum Consideration and 10.00% of the remainder of the Maximum Consideration) in favour of the Manager to the Open Offer. In terms of the Escrow Agreement, the Manager has been authorized by the Acquirer to operate the Escrow Account in accordance with the SEBI (SAST) Regulations. The cash deposit has been confirmed by the Escrow Agent by way of a confirmation letter dated 20 November 2021.

3. The Acquirer has confirmed by way of letter dated 18 November 2021 that it has sufficient and adequate financial resources to fulfill the obligations under the Open Offer and has put in place firm financial arrangements for financial resources required for the implementation of the Open Offer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations. The Acquirer has earmarked a sum of JPY 139,840,620,183 (equivalent to approximately INR 91,218,036,545 based on the exchange rate of 100 JPY = INR 65.23 as of 8 November 2021 according to Financial Benchmarks India Private Limited (www.fbil.org.in)), which is equal to or greater than the Maximum Consideration, for the purposes of fulfilling the Acquirer's payment obligations under the Open Offer in accordance with the SEBI (SAST) Regulations.

4. After considering the aforementioned, M/s. R.D. Sarfare & Co., Chartered Accountants, (Rajesh Sarfare, Partner, Membership No. 140399), by way of certificate dated 18 November 2021, has certified that the Acquirer has adequate financial resources for fulfilling its obligations under the Open Offer.

5. Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the obligations in relation to this Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

6. In case of any upward revision in the Offer Price or the Offer Size, corresponding increase to the Escrow Amount as mentioned above in this Part shall be made by the Acquirer in terms of Regulation 17(2) of the SEBI (SAST) Regulations, prior to effecting such revision.

VI. STATUTORY AND OTHER APPROVALS

1. The consummation of the Underlying Transaction and the Open Offer is subject to the receipt of the Required Statutory Approvals and satisfaction of other conditions precedent specified in the Share Subscription Agreement (unless waived in accordance with the Share Subscription Agreement). To the best of the knowledge of the Acquirer, there are no other statutory or governmental approvals required for the consummation of the Transaction. However, if any other statutory or governmental approval(s) are required or become applicable at a later date before closure of the Tendering Period, the Underlying Transaction and the Open Offer would also be subject to such other statutory or other governmental approval(s) and the Acquirer shall make the necessary applications for such other approvals. The applications for Required Statutory Approvals (as currently deemed necessary) are in the process of being filed.

2. In the event that the Required Statutory Approvals are not received at latest by 31 August 2022 (or such other later date as the Acquirer and other parties may mutually agree in writing under the Share Subscription Agreement) or refused for any reason, or if the conditions precedent as specified in the Share Subscription Agreement (as set out at paragraph 6(ii) of Part II (Background to the Open Offer) of this Detailed Public Statement above), which are outside the reasonable control of the Acquirer, are not satisfied, the Acquirer may rescind the Share Subscription Agreement and shall have the right to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. It is hereby clarified that the failure to obtain the Preferential Issue Shareholder Approval and Preferential Issue Stock Exchange Approvals will not entitle the Acquirer to withdraw this Open Offer in terms of Regulation 23 of the SEBI (SAST) Regulations. In the event of the Share Subscription Agreement being rescinded and a withdrawal of the Open Offer, a public announcement will be made within 2 Working Days of such withdrawal, in the same newspapers in which this DPS has been published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

3. In case of delay in receipt of any Required Statutory Approvals, or any other statutory approval that may be required by the Acquirer, SEBI may, if satisfied, grant extension of time to the Acquirer for making payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Open Offer, subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with Regulation 18(11) of the SEBI (SAST) Regulations. Where any statutory approval extends to some but not all of the Public Shareholders, the Acquirer shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer.

4. All Public Shareholders (including resident or non-resident shareholders) must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) held by

them, in the Offer and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares held by them, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Offer Shares.

5. The Acquirer shall complete all procedures relating to payment of consideration under this Open Offer within 10 Working Days from the date of closure of the Tendering Period of the Open Offer to those Public Shareholders whose Equity Shares are accepted in the Open Offer.

VII. TENTATIVE SCHEDULE OF ACTIVITY

No.	Name of Activity	Schedule of Activities (Date and Day) ¹
1.	Issue of Public Announcement	Thursday, 18 November 2021
2.	Publication of this DPS in newspapers	Friday, 26 November 2021
3.	Last date for filing of the draft Letter of Offer with SEBI	Friday, 3 December 2021
4.	Last date for public announcement for competing offer(s)	Friday, 17 December 2021
5.	Last date for receipt of comments from SEBI on the draft Letter of Offer (in the event SEBI has not sought clarification or additional information from the Manager to the Open Offer)	Friday, 24 December 2021
6.	Identified Date ²	Tuesday, 28 December 2021
7.	Last date for dispatch of the Letter of Offer to the shareholders of the Target Company whose names appear on the register of members on the Identified Date	Tuesday, 4 January 2022
8.	Last date by which a committee of independent directors of the Target Company is required to give its recommendation to the shareholders of the Target Company for this Open Offer	Friday, 7 January 2022
9.	Last date for upward revision of the Offer Price and/or the Offer Size	Friday, 7 January 2022
10.	Date of publication of Open Offer opening public announcement, in the newspapers in which this DPS has been published	Monday, 10 January 2022
11.	Date of commencement of the Tendering Period	Tuesday, 11 January 2022
12.	Date of closure of the Tendering Period	Monday, 24 January 2022
13.	Last date of communicating the rejection/acceptance and completion of payment of consideration or refund of Equity Shares to the shareholders of the Target Company	Tuesday, 8 February 2022
14.	Last date for publication of post Open Offer public announcement in the newspapers in which this DPS has been published	Tuesday, 15 February 2022

¹ Date falling on the 10th Working Day prior to the commencement of the Tendering Period. The Identified Date is only for the purpose of determining the Equity Shareholders as on such date to whom the Letter of Offer would be sent. All the Equity Shareholders (registered or unregistered) are eligible to participate in this Open Offer at any time prior to the closure of the Tendering Period.

² The above timelines are indicative (prepared on the basis of timelines provided under the SEBI (SAST) Regulations) and are subject to receipt of relevant approvals from various statutory/regulatory authorities and may have to be revised accordingly.

VIII. PROCEDURE FOR TENDERING THE EQUITY SHARES IN CASE OF NON RECEIPT OF LETTER OF OFFER

1. Subject to Part VI (*Statutory and Other Approvals*) of this Detailed Public Statement above, all the Public Shareholders of the Target Company, holding the Equity Shares whether in dematerialised form or physical form, registered or unregistered are eligible to participate in this Open Offer at any time during the Tendering Period for this Open Offer.

2. The mechanism for acquisition of Equity Shares of the Target Company through stock exchange in terms of SEBI circular bearing reference number CIR/CFD/POLICYCELL/1/2015 dated 13 April 2015 and the SEBI circular bearing reference number CFD/DCR2/CIR/P/2016/131 dated 9 December 2016 is not available for this Open Offer.

3. As per the provisions of Regulation 40(1) of the SEBI (LODR) Regulations and SEBI's press release dated 3 December 2018, bearing reference no. PR 49/2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository with effect from 1 April 2019. However, in accordance with the circular issued by SEBI bearing reference number SEBI/HO/CFD/CMD1/CIR/P/2020/144 dated 31 July 2020, shareholders holding securities in physical form are allowed to tender shares in an open offer. Such tendering shall be as per the provisions of the SEBI (SAST) Regulations. Accordingly, Public Shareholders holding Equity Shares in physical form as well as eligible to tender their Equity Shares in this Open Offer as per the provisions of the SEBI (SAST) Regulations.

4. The Public Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are fully paid-up and are free from all liens, charges and encumbrances. The Acquirer shall acquire the Equity Shares that are validly tendered and accepted in this Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereof in accordance with the applicable law and the terms set out in the PA, this DPS and the Letter of Offer.

5. For the purpose of the Offer, KFin Technologies Private Limited ("Registrar to the Offer"/ "Registrar") has opened a special escrow depository account in the name and style of "KFIN TECHNOLOGIES ESCORTS OPEN OFFER ESCROW DEMAT ACCOUNT" ("Escrow Demat Account") with ICICI Bank Limited. The depository participant identification number is IN301348 and the client identification number is 20200624.

6. Persons who have acquired Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, i.e., the date falling on the 10th Working Day prior to the commencement of Tendering Period, or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Open Offer by submitting an application on a plain paper giving details set out below and in the Letter of Offer. Accidental omission to send the Letter of Offer to any person to whom the Offer is made or the non-receipt or delayed receipt of the Letter of Offer by any such person will not invalidate the Offer in any way. In the alternate, such holders of the Equity Shares of the Target Company may apply in the form of acceptance-cum acknowledgement in relation to this Open Offer that will be annexed to the Letter of Offer, which may also be obtained from the SEBI website (<http://www.sebi.gov.in>) and from Registrar to the Offer. The application is to be sent to the Registrar to the Offer at any of the collection centres that shall be mentioned in the Letter of Offer, so as to reach the Registrar to the Offer during business hours on or before 4:00 p.m. on the date of closure of the Tendering Period of this Offer, together with the DP name, DP ID, account number together with a photocopy or counterfoil of the delivery instruction slip in "off-market" mode duly acknowledged by the DP for transferring the Equity Shares of the Target Company to the Escrow Demat Account, as per the details given below:

Name of the Depository Participant	ICICI Bank Limited
DP ID	IN301348
Client ID	20200624
Account Name	KFIN TECHNOLOGIES ESCORTS OPEN OFFER ESCROW DEMAT ACCOUNT
Depository	NSDL
Mode of Instruction	Off-market

Note: Public Shareholders having their beneficiary account with Central Depository Services Limited must use the inter-depository delivery instruction slip for the purpose of crediting their equity shares of the Target Company in favour of the Escrow Demat Account.

7. The detailed procedure for tendering the Equity Shares in the Open Offer will be available in the Letter of Offer, which shall be available on SEBI's website (www.sebi.gov.in).

8. Equity Shares should not be submitted/tendered to the Manager, the Acquirer or the Target Company.

IX. OTHER INFORMATION

1. The Acquirer and its directors accept full responsibility for the information contained in the Public Announcement and this Detailed Public Statement (other than such information as has been obtained from public sources or provided by or relating to and confirmed by the Target Company).

2. The information pertaining to the Target Company in the Public Announcement or this Detailed Public Statement or the Letter of Offer or any other advertisement/publications made in connection with the Open Offer has been compiled from information published or provided by the Target Company or publicly available sources which has not been independently verified by the Acquirer or the Manager. The Acquirer and the Manager do not accept any responsibility with respect to such information relating to the Target Company.

3. The Acquirer and its directors also accept full responsibility for their obligations under the Open Offer and shall be jointly and severally responsible for the fulfillment of obligation under the SEBI (SAST) Regulations in respect of this Open Offer.

4. Unless otherwise stated, the information set out in this Detailed Public Statement reflects the position as of the date hereof.

5. In this Detailed Public Statement, any discrepancy in any table between the total and sums of the amount listed is due to rounding off and/or regrouping.

6. In this Detailed Public Statement, all references to: (i) "₹" are references to Indian Rupees(s); and (ii) "JPY" are references to Japanese Yen.