



BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 BSE – 500495	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400051 NSE – ESCORTS	Delhi Stock Exchange Limited DSE House, 3/1, Asaf Ali Road, New Delhi – 110002 DSE - 00012
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Subject: Postal Ballot Notice

Please find enclosed herewith the Postal Ballot Notice dated November 18, 2021 along with the explanatory statement and e-voting instructions ("**Postal Ballot Notice**") for seeking approval of the Members for passing of the Resolutions as set out therein.

In compliance with the provisions of Section 108 and Section 110 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013; Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended, read with circulars issued by the Ministry of Corporate Affairs, Government of India (the "MCA") the General Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No 22/2020 dated June 15, 2020, Circular No 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and Circular No. 10/2021 dated June 23, 2021 (referred as "**MCA Circulars**") and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**") and other applicable laws and regulations, the Company has offered e-voting facility for transacting all business through KFin Technologies Private Limited through their portal <https://evoting.kfintech.com/to> enable the members to cast their votes electronically.

The cut-off date to determine the entitlement of voting rights of members opting for e-voting is November 12, 2021. The voting commences on November 19, 2021 (9.00 a.m.) and ends on December 18, 2021 (5.00 p.m.).

Further please note that the copy of the said Postal Ballot Notice has also been uploaded on our website at www.escortsgroup.com under investor information section.

ESCORTS LIMITED

Phone: +91-129-2250222

Email: corpsl@escorts.co.in; Website: www.escortsgroup.com

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

CIN: L74899HR1944PLC039088



This is for your records and information.

Thanking you.

Yours faithfully,
for **Escorts Limited**

Satyendra Chauhan
Company Secretary and Compliance Officer

Place: Faridabad

Date: November 18, 2021

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

Postal Ballot Notice

Pursuant to Section 110 of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014, as amended.

Dear Members,

Notice is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (“Rules”) (hereinafter cumulatively referred to as “Act”), read with General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020 and Circular No. 10/2021 dated June 23, 2021, and any updates thereto issued by the Ministry of Corporate Affairs (“MCA”) (together referred as “MCA Circulars”) and secretarial standards on general meetings (“SS-2”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and other applicable laws and regulations, if any, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, that the resolutions appended below are proposed to be passed by the members of Escorts Limited (“Company”) by way of Postal Ballot through voting by electronic means (“E-voting”). The proposed resolutions as set out below, along with the Explanatory Statements pursuant to Section 102 of the Act setting out material facts in relation to the proposed resolutions, are being sent to the members for consideration and approval.

In due consideration of the occurrence of worldwide pandemic of COVID-19 the MCA has issued MCA Circulars in relation to “Clarification on passing of ordinary and special resolution by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by COVID - 19”. In terms of the MCA Circulars, companies are advised to take all decisions requiring members’ approval, other than items of ordinary business or business where any person has a right to be heard, through the mechanism of postal ballot/ e-voting in accordance with the provisions of the Act and Rules made thereunder, without holding a general meeting that requires physical presence of members at a common venue. The MCA has clarified that for companies that are required to provide e-voting facility under the Act, while they are transacting any business(es) only by postal ballot upto December 31, 2021, the requirements provided in Rule 20 of the Rules as well as the framework provided in the MCA Circulars will be applicable mutatis mutandis. Further, the Company will send Postal Ballot Notice by e-mail to all its members who have registered their email addresses with the Company or depository/ depository participants and the communication of assent/ dissent of the members will only take place through the E-voting system. This Postal Ballot Notice is accordingly being initiated in compliance with the MCA Circulars.

In compliance with the requirements of the MCA Circulars, hard copies of Postal Ballot Notice along with postal ballot forms and pre-paid business envelope will not be sent to the members for this Postal Ballot. The Company is providing E-voting facility for the Postal Ballot as an alternate, which would enable the members to cast their votes electronically, instead of casting their votes and dispatching postal ballot forms physically. You are requested to peruse the resolutions set out below along with their respective Explanatory Statements and thereafter record your assent or dissent by means of E-voting facility provided by the Company as per the procedure mentioned in the Notes below under the section “Voting through Electronic Means” under this Postal Ballot Notice.

The Board of Directors of the Company at its meeting held on November 18, 2021 has appointed Mr. Jayant Gupta, Practicing Company Secretary (FCS Membership No. 7288 and Certificate of Practice No. 9738), as the Scrutinizer (“Scrutinizer”) for conducting the Postal Ballot, including E-voting process, in a fair and transparent manner. The Board of Directors of the Company at its meeting held on November 18, 2021 has appointed Mr. Bharat Madan, Group Chief Financial Officer & Corporate Head and Mr. Satyendra Chauhan, Company Secretary & Compliance Officer of the Company to be jointly and severally responsible for the entire Postal Ballot process and to take all the steps and to do all the acts, deeds and things etc., as may be necessary or expedient in connection with or in relation to the Postal Ballot process.

Members holding equity shares of the Company as on November 12, 2021 (“Cut-off Date”) have the option of voting by E-voting process.

In compliance with Regulation 44 of the Listing Regulations and pursuant to the provisions of Sections 108 and 110 of the Act read with the Rules and the MCA Circulars, the Company has extended only the E-voting facility to its Members, to enable them to cast their votes electronically instead of submitting the postal ballot form. The instructions for E-voting facility arranged by the Company are mentioned in the Notes below under the section “Voting through Electronic Means” under this Postal Ballot Notice.

Members may note that E-voting shall commence at 9:00 a.m. on November 19, 2021 and will remain open up to 5:00 p.m. on December 18, 2021.

For the purpose of E-voting, the Company has engaged the services of KFin Technologies Private Limited (“KFin”). Members requiring any clarifications on E-voting may contact Mr. Sankara Gokavarapu, Manager from KFin on toll-free number 1800 345 4001 or by email at [einward.ris@kfintech.com](mailto:ris@kfintech.com). Also, if any Member needs assistance with regards to using the technology, they can contact KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, e-mail id - [einward.ris@kfintech.com](mailto:ris@kfintech.com), Toll Free No.:1800 309 4001; Fax No. : +91 40 2300 1153 with attention to Mr. Sankara Gokavarapu.

After completion of scrutiny of the E-voting, the Scrutinizer will submit his report to the Chairman of the Company (“Chairman”) or to any other person authorized by the Chairman within the stipulated time for declaration of results. The results of Postal Ballot (including E-voting) shall be declared within 2 (two) working days from the end of voting i.e. on Monday, December 20, 2021, at the registered office of the Company and communicated to the stock exchange(s), depository(ies), registrar and share transfer agent and shall also be displayed on the Company’s website, viz., www.escortsgroup.com and the website of E-voting agency, viz., <https://evoting.kfintech.com>.

The Special Resolutions mentioned below shall be declared as passed if the number of votes cast in its favor are not less than three times the number of votes cast, if any, against the said Resolution.

In accordance with SS-2, issued by the Institute of Company Secretaries of India, if approved with requisite majority, the Resolutions shall be deemed to have been passed on the last date specified by the Company for E-Voting i.e. Saturday, December 18, 2021.

Resolution(s) by means of Postal Ballot

1. To issue 93,63,726 equity shares of the Company on a preferential allotment basis to Kubota Corporation, Japan and issuance of offer letter

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 23, 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (“Act”), the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and such other rules and regulations made thereunder (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), the provisions of the memorandum of association and articles of association of the Company and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“**ICDR Regulations**”), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“**Listing Regulations**”) and subject to other applicable rules, regulations and guidelines issued by the Ministry of Corporate Affairs, Securities and Exchange Board of India (“**SEBI**”), Reserve Bank of India (“**RBI**”), Government of India, BSE Limited and National Stock Exchange of India Limited (“**Stock Exchanges**”) and/ or any other statutory/regulatory authority (“**Applicable Regulatory Authorities**”), to the extent applicable, including the Competition Commission of India (“**CCI**”) and subject to such approvals, permissions, consents and sanctions as may be necessary or required from the Applicable Regulatory Authorities in this regard and subject to such terms and conditions or modifications as may be prescribed or imposed by any of them while granting any such approvals, permissions, consents and/ or sanctions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the consent of the members be and is hereby accorded to the Board to create, offer, issue and allot 9,363,726 (Nine Million Three Hundred Sixty Three Thousand Seven Hundred Twenty Six) equity shares of the Company, having face value of INR 10/- (Indian Rupees Ten only) for an issue price of at INR 2,000 (Indian Rupees Two Thousand) (including a premium of INR 1,990 (Indian Rupees One Thousand Nine Hundred and Ninety) for each equity share) each to Kubota Corporation, Japan (“**Investor**”) for an aggregate consideration of INR 18,727,452,000 (Indian Rupees Eighteen Billion Seven Hundred and Twenty Seven Million Four Hundred and Fifty Two Thousand), which is in compliance with applicable pricing regulations and in accordance with Chapter V of the ICDR Regulations, by way of preferential allotment on a private placement basis.

RESOLVED FURTHER THAT the approval of the members be and is hereby accorded to issue to the Investor, a private placement offer letter in Form PAS – 4 pursuant to Section 42 of the Act and Rule 14 of the Companies (Prospectus and Allotment of Securities Rules, 2014), to subscribe to the aforesaid equity shares by way of preferential allotment on a private placement basis.

RESOLVED FURTHER THAT the equity shares being offered, issued and allotted to the Investor by way of a preferential issue shall inter alia be subject to the following:

- i. This issue and allotment of the Equity Shares to the Investor is subject to the approval of the shareholders for (a) the amendment to articles of the Company and (b) increase in the maximum number of directors on the Board of the Company, in accordance with the terms of the Definitive Agreements (i.e., the Share Subscription Agreement and the Shareholders Agreement);
- ii. The equity shares shall be issued and allotted by the Company to the Investor in dematerialized form within a period of 15 (fifteen) days from the date of passing of this resolution provided that where the issue and allotment of the equity shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government, the issue and allotment shall be completed within a period of 15 (fifteen) days from the last date of such approval;
- iii. The equity shares to be offered, issued and allotted to the Investor shall rank *pari passu* with the existing equity shares of the Company in all respects including the payment of dividend and voting rights, and be subject to the requirements of all applicable laws and the provisions of the articles of association of the Company;
- iv. The “Relevant Date” for the offer, issue and allotment of the equity shares by way of a preferential issue, as per the ICDR Regulations, for determination of minimum price for the issue of the equity shares shall be November 18, 2021 which is 30 (thirty) days prior to the date on which this resolution is deemed to be passed i.e. the last date specified by the Company for E-voting, being December 18, 2021;
- v. The equity shares to be offered, issued and allotted shall be subject to lock-in requirements as provided under the applicable provisions of ICDR Regulations;
- vi. The equity shares to be offered, issued and allotted to the Investor will be listed and traded on Stock Exchanges, where the existing equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be; and
- vii. The equity shares to be offered, issued and allotted to the Investor are being issued for cash consideration.

RESOLVED FURTHER THAT the monies received by the Company from the Investor for subscription of the equity shares pursuant to this preferential allotment shall be kept by the Company in a separate bank account opened by the Company for this purpose and shall be utilized by the Company in accordance with the provisions of the Act and the Listing Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable to give effect to these resolutions, including, form filings, making application to authorities, regulatory or otherwise and to settle any matter, question, difficulty or doubt that may arise in regard to the issuance and allotment of equity shares of the Company, relating to the issuance of equity shares as it may deem necessary, proper, desirable or expedient without

requiring any further approval of the members and that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution and acts and things done or caused to be done shall be conclusive evidence of the authority of the Company in so doing and any such acts and things done or caused to be done prior to the date hereof are hereby ratified, confirmed and approved as the acts and deeds of the Company, as the case may be.

RESOLVED FURTHER THAT for the purpose of giving effect to this offer, issue and allotment of equity shares, the Board be and is hereby authorised on behalf of the Company to seek listing of such equity shares on the Stock Exchanges, subject to the necessary regulatory permissions and approvals, as the case may be.

RESOLVED FURTHER THAT the Board be and is hereby also authorized to delegate all or any of the powers herein conferred, to a committee of the Board or any such persons as it may deem fit in its absolute discretion, with the power to take such steps and to do all such acts, deeds, matters and things as they may deem fit and proper for the purposes of the preferential allotment and settle any questions or difficulties that may arise in regard to the preferential allotment."

2. To approve the change in the name of the Company

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to Section 13 of the Companies Act, 2013 ("**Act**") (including any statutory modification or re-enactment thereof, circulars, notifications, regulations, rules, guidelines, if any, for the time being in force) and all other applicable provisions, if any, of the Act and the Companies (Incorporation) Rules, 2014, subject to the availability of name and, subject to approval of the Central Government (power delegated to Registrar of Companies) ("**RoC**"), BSE Limited and National Stock Exchange of India Limited ("**Stock Exchanges**"), if applicable, and any other regulatory authorities as may be necessary, consent of the members be and is hereby accorded to change the name of the Company from "Escorts Limited" to "Escorts Kubota Limited" or any other name as may be approved by the Central Registration Centre ("**CRC**") containing the trade names "Escorts" and "Kubota" and other regulatory authorities, whether under the Act or any other rules, laws, acts, statutes or regulations as may be applicable to the Company, subject to the effectiveness of the shareholders agreement dated November 18, 2021 entered into, *inter alia*, between the Kubota Corporation, Japan, certain promoters represented by Mr. Nikhil Nanda, and the Company.

RESOLVED FURTHER THAT the name clause being Clause 1 in the memorandum of association of the Company be altered accordingly and substituted by the following clause:

1. The Name of the Company is "Escorts Kubota Limited"*.

*Subject to availability of the name and approval of the shareholders, CRC and RoC.

RESOLVED FURTHER THAT in terms of Section 14 of the Act the articles of association of the Company be and are hereby altered by deleting the existing name of the Company wherever appearing and substituting it with the new name of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to file applications with the RoC, Stock Exchanges, if applicable, the CRC and with the regulatory authority, respective forms for making application for change of name or apply for such other name with the trade name "Escorts" and "Kubota" and accept any other name approved by the CRC or other relevant regulatory authorities and seek approval for the change in the name of the Company accordingly and to do all such acts, deeds, things and matters as may be required, necessary, proper, desirable or expedient, in this matter on behalf of the Company without making any further reference to the members for their approval."

3. To approve the alteration to the articles of association of the Company

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, and rules, circulars, notifications thereunder (as amended modified or restated from time to time), the memorandum of association and articles of association of the Company, the approval of the Board of Directors in their meeting held on November 18, 2021, the approval of the members of the Company be and is hereby accorded to the amendment and restatement of the existing articles of association of the Company, *inter alia*, incorporating the key terms of the shareholders agreement dated November 18, 2021 entered into, *inter alia*, between Kubota Corporation, Japan, certain promoters represented by Mr. Nikhil Nanda, Escorts Benefit and Welfare Trust ("**EBWT**") and the Company ("**SHA**"), in substitution for and to the exclusion of the existing articles of association with the amended and restated articles of association ("**Restated Articles**"), upon the SHA becoming effective.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all acts, deeds, matters and things and execute all documents and take all steps and give such directions as may be required, necessary, proper, expedient or desirable in connection with or incidental for giving effect to the above resolution, including but not limited to completing the necessary formalities relating to filing of necessary statutory forms and any other relevant documents in relation to alteration of the articles of association of the Company, providing certified true copies of this resolution and the Restated Articles of the Company and undertaking all matters incidental and ancillary thereto as may be required to be complied with by the Company."

4. To increase the limit of the maximum number of directors which may be appointed on the board of directors of the Company to 18 (Eighteen)

To consider and, if thought fit, to pass the following resolution as **Special Resolution**:

RESOLVED THAT pursuant to the provision of Section 149 and other applicable provisions, if any, of the Companies Act, 2013 and such other rules and regulations made thereunder (including any amendments, statutory modification(s) and/ or re-enactment thereof for the time being in force), consent of the members of the Company be and is hereby accorded to increase the limit on the maximum number of directors of the Company on the Board from the existing limit of 15 (fifteen) to 18 (eighteen) under the restated and amended articles of association of the Company.

RESOLVED FURTHER THAT for the purposes of giving effect to this resolution, the Board of directors of the Company, be and is hereby severally authorized to file the necessary statutory forms and other relevant documents with the Registrar of Companies, Ministry of Corporate Affairs in relation to the increase in the limit on the maximum number of directors of the Company on the Board, and to do all such acts, deeds and things as may be required and considered necessary from time to time to give effect to the aforesaid resolution.

5. To approve related party transaction with Kubota Corporation, Japan and its subsidiaries and group companies

To consider and, if thought fit, to pass the following resolution as **Ordinary Resolution**:

“RESOLVED THAT pursuant to the applicable provisions of Section 188 and any other applicable provisions of the Companies Act, 2013 and rules framed thereunder and in terms of the Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including statutory modification(s) or re-enactment thereof for the time being in force), the Company’s Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions for the time being in force, subject to the shareholders’ agreement dated November 18, 2021 entered into, inter alia, between Kubota Corporation, Japan, certain promoters represented by Mr. Nikhil Nanda, EBWT and the Company (**“SHA”**), becoming effective, in continuation of omnibus approval of Audit Committee and transactions reviewed/ approved by Audit Committee at its meeting held on November 18, 2021, consent of the members of the Company be and is hereby accorded to enter or to continue to enter into related party transaction(s)/contract(s)/arrangement(s), including the transaction(s)/ contract(s)/arrangement(s) identified below, for the period of five (5) years with effect from the date of effectiveness of the SHA, with Kubota Corporation, Japan, and/or relevant subsidiaries and group companies of Kubota Corporation, Japan, subject to an aggregate limit of INR 4,500 Crores p.a. (excluding applicable taxes), (the peak limit of INR 4,500 Crores is expected to be achieved by the end of fifth year) to be discharged in a manner and on such terms and conditions as may be mutually agreed upon between the Company, Kubota Corporation, Japan and/or relevant subsidiaries and group companies of Kubota Corporation, Japan, as the case may be, provided that such transaction(s)/contract(s)/arrangement(s) shall be carried out at arm’s length and in the ordinary course of business.

<u>Description of Transaction</u>	<u>Counterparty</u>
Sale, purchase, distribution, supply of any products including in relation to Agri Machinery Business (including tractors, construction equipment, engines), goods, raw materials, availing/ rendering of services, or any other transactions as may be deemed fit by the Board	Kubota Corporation, Japan
Sale/distribution of such products including in relation to the Agri Machinery Business as may be agreed between the parties	Kubota Europe S.A.S., Kubota (Deutschland) GmbH, Kubota España S.A. Kubota (U.K.) Ltd., Kubota Turkey Makine Ticaret Limited Sirketi, Kubota Philippines, Inc., Kubota Vietnam Co., Ltd., Kubota Malaysia Sdn Bhd, P.T. Kubota Machinery Indonesia, Kubota Myanmar Co., Ltd., Kubota Machinery Trading
Purchase of products, components and accessories including in relation to the Agri Machinery Business in the manner as may be agreed between the parties including, Kubota branded diesel engine products (including parts and accessories)	Kubota Corporation, Japan and Kubota Engine (Thailand) Co. Ltd.
Purchase of such products, components and accessories including in relation to the Agri Machinery Business as may be agreed between the parties	Kubota Machinery Trading
Purchase and Sale of products, components and accessories including in relation to the Agri Machinery Business as may be agreed between the parties	SIAM Kubota Corporation / Kubota Industrial Equipment Corporation Kubota Machinery Trading
Availing technical assistance, payment of royalty, and such other services as may be agreed between the parties	Kubota Corporation, Japan
Purchase, sale, distribution of products, parts, components and accessories including in relation to the Agri Machinery Business in the manner as may be agreed between the parties	SIAM Kubota Corporation
Purchase, sale, distribution of products, parts, components and accessories including in relation to the Agri Machinery Business in the manner as may be agreed between the parties, including transplanters	Kubota Agricultural Machinery (SUZHOU) Co. Ltd.
Availing/rendering such services including in relation to the Agri Machinery Business as may be agreed between the parties including after sales services	Kubota Corporation, Japan
Secondment of Kubota Corporation employees to Company	Kubota Corporation, Japan

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorized to negotiate and finalize other terms and conditions, methods and modes in respect thereof, and executing necessary documents, including contracts, schemes, agreements and such other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Government authorities in this regard and deal with any matters, delegation of powers as may be necessary, and to do all such acts, deeds and things as the Board of Directors of the Company may in its discretion deem necessary, proper or expedient to give effect

to this Resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this Resolution.

RESOLVED FURTHER THAT all actions taken by the Board of Directors of the Company in connection with any matter referred to or contemplated in any of the foregoing resolutions be and hereby approved, ratified and confirmed in all respects.”

**By Order of the Board of Directors
For Escorts Limited**

**Sd/-
Satyendra Chauhan
Company Secretary & Compliance Officer**

Place: Faridabad

Date: November 18, 2021

Notes:

1. The businesses mentioned above require the consent of the members of the Company through Postal Ballot (including E-voting).
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, stating all material facts and the reasons for the proposal, is annexed to this Postal Ballot Notice.
3. The Notice is being sent by e-mail to all the members, whose names appear on the Register of members/ List of Beneficial Owners as received from the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited as on November 12, 2021 i.e. the Cut-off Date. The Notice is being sent to members in electronic form to the email addresses registered with their Depository Participants (in case of electronic shareholding)/ the Company (in case of physical shareholding). Members whose email addresses are not registered, shall register their email as per the instructions given in the Notes below.
4. Members whose names appear on the Register of members/ List of Beneficial Owners as on the Cut-off Date will be considered for the purpose of voting. Voting rights will be reckoned on the paid-up value of shares registered in the name of the members on the Cut-off Date. Only those members whose names are recorded in the Register of members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off Date will be entitled to cast their votes by E-voting.
5. In compliance with Regulation 44 of the Listing Regulations and with Sections 108 and 110 of the Companies Act, 2013 and the rules made thereunder, and the provisions of the MCA Circulars, the Company has provided the facility to the members to exercise their votes electronically and vote on the resolution through the E-voting facility provided by KFin. The instructions for electronic voting are annexed to this notice.
6. Copy of this Notice will also be available on the Company’s website at www.escortsgroup.com and on the website of KFin at <https://evoting.kfintech.com/public/ballotform.aspx> and at the relevant sections of the websites of the stock exchanges on which the shares of the Company are listed. Members, who have any other queries, may write to the Company at: corpsl@escorts.co.in.
7. The Special Resolution(s) mentioned above shall be declared as passed if the number of votes cast in its favor are not less than three times the number of votes cast, if any, against the said Resolution(s). The ordinary resolution mentioned above shall be acted upon only if the number of votes cast in favor of the resolution is more than the number of votes cast against it, subject to other applicable provisions.
8. Resolution(s) assented to by the requisite majority of the members by means of E-voting shall be deemed to have been duly passed on the last date specified for E-voting i.e. December 18, 2021.
9. The Scrutinizer’s decision on the validity of E-voting will be final and binding.
10. Voting through electronic means: The procedure and instructions for E-voting are as follows
 - (a) Date and time of commencement of voting through electronic means: November 19, 2021 at 09:00 Hours (IST).
 - (b) Date and time of end of voting through electronic means beyond which voting will not be allowed: December 18, 2021 till 17:00 Hours (IST).
 - (c) Details of Website: <https://evoting.kfintech.com>
 - (d) Details of persons to be contacted for issues relating to E-voting: Mr. Sankara Gokavarapu, Manager, KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Toll Free No.:1800 309 4001; Fax No. : +91 40 2300 1153; E-mail: einward.ris@kfintech.com
 - (e) Details of Scrutinizer: Mr. Jayant Gupta, Company Secretary in Practice (FCS Membership No. 7288; C.P. No. 9738).

The instructions for E-voting are as under:

- (A) In case a member receives an email from KFin:
 - i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>.
 - ii. Enter the login credentials (i.e. User ID and password as mentioned in email).
 - In case of physical folio, User ID will be EVEN (E-Voting Event Number) followed by folio number.
 - In case of Demat account, User ID will be your DP ID followed by Client ID.
 - However, if you are already registered with KFin for E-voting, you can use your existing User ID and password for casting your vote.

- iii. After entering these details appropriately, click on "LOGIN".
- iv. You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v. You need to login again with the new credentials.
- vi. On successful login, the system will prompt you to select the "EVENT of ESCORTS" i.e. 6384.
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date i.e. November 12, 2021 under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/ AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/ demat accounts shall follow the voting process separately for each folio/ demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution(s), you will not be allowed to modify your vote. During the voting period i.e. November 19, 2021 to December 18, 2021, members can login any number of times till they have voted on the resolution(s).
- xii. Corporate/ Institutional members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email pcs.jga@gmail.com with a copy marked to evoting@kfintech.com. The scanned image of the above mentioned documents should be in the naming format "Escorts Limited Event No."

(B) In case of members who have not registered their email address with the Company/ Depository Participant(s):

The members who have not yet registered their email address are requested to get their email addresses registered by following the procedure given below:

Members holding shares in physical form:

Members holding shares in physical mode, who have not registered/ updated their email addresses with the RTA, are requested to register/ update the same by clicking on <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx> or by writing to the RTA with details of folio number and attaching a self-attested copy of PAN card at einward.ris@Kfintech.com.

Members holding shares in electronic mode

Members are required to register their e-mail address with their respective Depository Participant "DPs" for receiving all communications from the Company electronically.

After due verification, KFIN will forward your login credentials to your registered email address.

After registration of e-mail address members would be required to following steps 10 (A) (i) to (xii).

11. Members can also temporarily update their email address and mobile number with KFIN, by complying with the procedure given below:
 - (i) Visit the link <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
 - (ii) Select the company name: Escorts Limited
 - (iii) Enter DPID Client ID (in case shares are held in electronic form)/Physical Folio No. (in case shares are held in physical form) and Permanent Account Number (PAN).
 - (iv) In case shares are held in physical form, if PAN is not available in the records, please enter any one of the Share Certificate No. in respect of the shares held by you.
 - (v) Enter the email address and mobile number.
 - (vi) System will check the authenticity of the DPID Client ID/Physical Folio No. and PAN/Certificate No., as the case may be and send the OTPs to the said mobile number and email address, for validation.
 - (vii) Enter the OTPs received by SMS and Email to complete the validation process. (Please note that the OTPs will be valid for 5 minutes only).

- (viii) In case the shares are held in physical form and PAN is not available, the system will prompt you to upload the self-attested copy of your PAN.
- (ix) System will confirm the email address for the limited purpose of serving the Notice of the Postal Ballot and the e-voting instructions along with the User ID and Password.

Alternatively, Members may send an email request to einward.ris@kfintech.com along with the scanned copy of their request letter duly signed by the 1st shareholder, providing the email address, mobile number, self-attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form, to enable KFIN to temporarily register their email address and mobile number so as to enable the Company to issue the Notice of the Postal Ballot and the e-voting instructions along with the User ID and Password, through electronic mode.

However, Members holding shares in electronic form, will have to once again register their email address and mobile number with their DPs, to permanently update the said information.

In case of any queries, in this regard, Members are requested to write to einward.ris@kfintech.com or evoting@kfintech.com or contact KFIN at toll free number: 1800 3094 001.

12. Information and Instructions for E-Voting by Individual Shareholders holding shares of the Company in Demat Mode:

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

NSDL		CDSL	
1.	User already registered for IDeAS facility:	1.	Existing user who have opted for Easi / Easiest
I.	Type in the browser/click on the following URL: https://eservices.nsd.com	I.	Type in the browser/ click on the following URL: https://web.cdslindia.com/myeasi/home/login or URL: www.cdslindia.com
II.	Click on the "Beneficial Owner" icon under 'IDeAS' section.	II.	Click on New System Myeasi
III.	On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting"	III.	Login with user id and password.
IV.	Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the E-Voting period.	IV.	Option will be made available to reach e-Voting page without any further authentication.
		V.	Click on e-Voting service provider name to cast your vote.
2.	User not registered for IDeAS e-Services	2.	User not registered for Easi/Easiest
I.	To register, type in browser/ click on link: https://eservices.nsd.com	I.	To register, type in browser/ click on link: https://web.cdslindia.com/myeasi/Registration/EasiRegistration
II.	Select "Register Online for IDeAS"	II.	Proceed with completing the required fields.
III.	Proceed with completing the required fields.	III.	After registration, please follow steps given above to cast your vote.
IV.	After registration, please follow steps given above to cast your vote.		
3.	By visiting the e-Voting website of NSDL	3.	By visiting the e-Voting website of CDSL
I.	Type in the browser/ click on the following URL: https://www.evoting.nsd.com/	I.	Type in the browser/ click on the following URL: www.cdslindia.com
II.	Click on the icon "Login" which is available under 'Shareholder/Member' section.	II.	Provide demat Account Number and PAN
III.	On the login page, enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.	III.	System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account.
IV.	Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.	IV.	After successful authentication, user will be provided links for the respective e-Voting service provider where the e- Voting is in progress.
V.	Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the E-Voting period.		

Individual Shareholders (holding securities in demat mode) login through their demat accounts/ website of depository participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/ CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the E-Voting period.

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password options available on the websites of Depositories/ Depository Participants.

Members facing any technical issue – NSDL	Members facing any technical issue – CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

13. In case of any query and/ or grievance, in respect of voting by electronic means, members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com/public/Downloads.aspx> or contact Mr. Sankara Gokavarapu, Manager (Unit: Escorts Limited), KFin Technologies Private Limited, Selenium Building, Tower B, Plot No. 31 & 32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032. Toll Free No.:1800 309 4001; Fax No. : +91 40 2300 1153; E-mail: einward.ris@kfintech.com for any further clarifications
14. E-voting period commences on Friday, November 19, 2021 (9:00 am IST) and ends on Saturday, December 18, 2021 (5:00 pm IST). During this period, members of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-off Date i.e. November 12, 2021, may cast their vote by E-voting only. The E-voting module shall be disabled by KFin for voting thereafter i.e., after December 18, 2021 5.p.m. IST.
15. A person, whose name is recorded in the Register of members or in the Register of Beneficial Owners maintained by the depositories as on the Cut-off date only shall be entitled to avail the facility of E-voting.
16. The voting rights of members shall be in proportion to their shareholding in the Paid-up Equity Share Capital of the Company as on the cut-off date i.e. November 12, 2021. A person who is not a member as on the cut-off date is requested to treat this Notice for information purposes only.
17. Members who do not have the User ID and Password for E-Voting or have forgotten the User ID and Password may retrieve the same by following the E-Voting instructions mentioned elsewhere in the Notice. Further, members can also use the OTP based login for logging into the e-voting system.
18. Mr. Jayant Gupta, Practising Company Secretary, has been appointed as Scrutinizer to scrutinize the E-voting process in a fair and transparent manner.
19. The Scrutinizer shall within a period not exceeding two (2) days from the conclusion of the E-voting period make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman or to any other person authorized by the Chairman of the Company.
20. The result of the Postal Ballot will be announced on Monday i.e. December 20, 2021 at the Registered Office of the Company. The result of the Postal Ballot and Report of Scrutinizer will also be displayed at Company’s website www.escortsgroup.com KFin’s website <https://evoting.kfintech.com> and shall also be communicated to the stock exchanges where the shares of the Company are listed.
21. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ RTA.
22. As required by Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 read with the MCA Circulars and the Listing Regulations, the details pertaining to this Postal Ballot will be published in one English national daily newspaper circulating throughout India (in English language) and one Hindi daily newspaper circulating in Faridabad (in vernacular language, i.e. Hindi).
23. All documents referred to in the Notice will be kept open for inspection at the Registered Office of the Company between 10:00 a.m. and 1:00 p.m. on all working days between Monday to Friday of every week, up to the last date specified by the company for E-voting.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 read with the relevant rules made thereunder and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018

The following explanatory statement sets out the material facts relating to the special business mentioned at the Item Nos. 1 to 5 of the accompanying Postal Ballot Notice dated November 18, 2021.

Item No. 1

The Company and Kubota Corporation, Japan (“Kubota” or “Investor”), a global leader (Market Cap of ~US\$ 24 Billion) in tractor and machinery, have decided to strengthen their partnership in pursuit of their vision of global leadership in Farm Equipment. As part of this, Kubota shall increase its equity stake in Escorts by subscribing to equity shares proposed to be issued by Escorts and shall acquire

control over the Company to become a joint promoter along with existing promoters of the Company, in accordance with the terms of the Definitive Agreements (i.e., the share subscription agreement and the shareholders agreement). This transaction shall pave the way for Escorts and Kubota to seamlessly integrate their respective strengths to become a formidable global force in the farm equipment sector.

This partnership with Kubota will enable the Company to have access to global best practices and state of the art research & development facilities which will complement the Company's proven strengths in engineering and execution - to deliver high quality, cost-efficient solutions, in India and across the world.

In this regard, the Company has executed a share subscription agreement with the Investor dated November 18, 2021 ("**SSA**"), which *inter alia* contains the terms and conditions of the issue and allotment of the Subscription Shares (*defined below*). Further, the Company, Investor and certain promoters represented by Mr. Nikhil Nanda ("**Specified Promoters**") and Escorts Benefit and Welfare Trust ("**EBWT**") have executed a shareholders' agreement dated November 18, 2021 ("**SHA**") which *inter alia* provides for certain rights for the parties to the SHA such as Board seat and reserved matters, some of which will fall away if the equity shareholding of the relevant party in the Company falls below a certain defined threshold. Additionally, the Investor and Specified Promoters will also be bound by certain share transfer restrictions and non-compete obligations. The relevant provisions of the SHA have been incorporated in the Restated Articles proposed to be approved as Item No. 3 of this notice.

In view of the above, the Board of Directors ("**Board**") has approved the offer, issue and allotment of 9,363,726 (Nine Million Three Hundred Sixty Three Thousand Seven Hundred Twenty Six) equity shares of the Company ("**Subscription Shares**") at a price of INR 2,000 (Indian Rupees Two Thousand) (including a premium of INR 1,990 (Indian Rupees One Thousand Nine Hundred and Ninety) for each equity share) per equity share for an aggregate consideration of INR 18,727,452,000 (Indian Rupees Eighteen Billion Seven Hundred and Twenty Seven Million Four Hundred and Fifty Two Thousand), by way of preferential allotment to the Investor pursuant to its resolution dated November 18, 2021 ("**Preferential Allotment**"). The Preferential Allotment as proposed in Item No. 1 to the Investors in the Company is, *inter alia*, subject to the receipt of (i) approval of Item No. 3 (Amendment to the articles of association of the Company); and (ii) approval of Item No. 4 (Increase in the maximum number of directors on the board of the company). The underlying objective of the Preferential Allotment being subject to receipt of approval of Item No. 3 and Item No. 4 is to enable the Investor to become a joint promoter of the Company along with the existing promoters in accordance with the SHA.

The special resolution as mentioned under Item No. 1 proposes to authorize the Board to issue and allot 9,363,726 (Nine Million Three Hundred Sixty Three Thousand Seven Hundred Twenty Six) equity shares of the Company at a price of INR 2,000 (Indian Rupees Two Thousand) (including a premium of INR 1,990 (Indian Rupees One Thousand Nine Hundred and Ninety) for each equity share) per equity share, aggregating to an amount of INR 18,727,452,000 (Indian Rupees Eighteen Billion Seven Hundred and Twenty Seven Million Four Hundred and Fifty Two Thousand) in accordance with the pricing guidelines and in such manner and on such terms of conditions as prescribed under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**ICDR Regulations**") and in compliance with Sections 23, 42, 62(1) (c) and other applicable provisions of the Companies Act, 2013 ("**Act**") and relevant rules made thereunder, including, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014.

Execution of the definitive agreements (i.e., the SSA and the SHA) ("**Definitive Agreements**") has triggered an obligation on the Investor to make an open offer to the equity shareholders of the Company in terms of applicable regulations of SEBI (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011 ("**Open Offer**"). Subject to the approval of the members of the Company, regulatory approvals and the SHA becoming effective, the Investor will acquire control over the Company to become a joint promoter along with the existing promoters in accordance with the Definitive Agreements. The intent and purpose of the Specified Promoters agreeing to consent to the Investor's acquisition of control of the Company to become a joint promoter along with the existing promoters in terms of the Definitive Agreements is to create a partnership between the Investor and the Specified Promoters for the betterment and growth of the Company and its business, and to make the Company the exclusive vehicle of Kubota for manufacture, sale and distribution of the certain products (existing products and products to be jointly developed in the future). Additionally, the Investor and the Specified Promoters wish to combine their respective experience and expertise to enhance the current research and development experience and expertise of the Company by building a best-in-class global R&D and Innovation centre that would innovate new and more advanced technology for more cost effective and efficient manufacturing of products for Indian and global markets. All steps which are consequential to the execution of the Definitive Agreements are also proposed to be taken by the parties.

1. Particulars of the offer including date of passing of the Board resolution, kind of securities offered, maximum number of securities to be issued and the price at which securities are being offered are as follows:

The Board, in its meeting held on November 18, 2021 had, subject to the approval of the members of the Company and such other approvals, as may be required, approved the Preferential Allotment, involving the issue and allotment of 9,363,726 (Nine Million Three Hundred Sixty Three Thousand Seven Hundred Twenty Six) equity shares of the Company at a price of INR 2,000 (Indian Rupees Two Thousand) (including a premium of INR 1,990 (Indian Rupees One Thousand Nine Hundred and Ninety) for each equity share) per equity share, aggregating to an amount of INR 18,727,452,000 (Indian Rupees Eighteen Billion Seven Hundred and Twenty Seven Million Four Hundred and Fifty Two Thousand) on a preferential basis to the Investor, such price being not less than the minimum price as on the '*Relevant Date*' determined in accordance with the provisions of Chapter V of the ICDR Regulations.

2. Objects of the Preferential Allotment:

The proposed Preferential Allotment into the Company will aid the Company in further expansion of its agri-machinery business of manufacturing, assembly, sales, marketing, financing, servicing, research and development of: (a) tractors; (b) combine harvester & rice transplanter; (c) utility vehicles; (d) turf equipment; (e) construction machinery; (f) engines; (g) implements; (h) transmission for tractors, construction equipment and implements; (i) other farm mechanisation equipment; (j) spare parts of the

items referred in (a) to (i) above and shall also help the Company in leveraging the capabilities of Kubota Corporation, Japan and its group companies, globally.

3. Relevant Date:

In terms of the provisions of Chapter V of the ICDR Regulations, relevant date for determining the floor price for the Preferential Allotment of the equity shares is November 18, 2021.

4. Basis on which the floor price has been arrived at and justification for the price (including premium, if any):

The equity shares of the Company are listed on the BSE Limited and the National Stock Exchange of India Limited and are frequently traded in accordance with ICDR Regulations. For the purpose of computation of the minimum price per equity share, the National Stock Exchange of India Limited is the stock exchange that has higher trading volume for the said period and accordingly has been considered (“**Relevant Stock Exchange**”). In terms of the applicable provisions of Regulation 164(1) of the ICDR Regulations, the price at which the equity shares shall be allotted shall not be less than higher of the following:

- (a) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Relevant Stock Exchange, during the 26 (twenty-six) weeks preceding the Relevant Date; or
- (b) Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Relevant Stock Exchange, during the 2 (two) weeks preceding the Relevant Date.

The floor price for the Preferential Allotment (i.e., the preferential issue of Equity Shares proposed to be issued and allotted to the Investor), as determined in accordance with Regulation 164 of ICDR Regulations is INR 1,544.16 (Rupees One Thousand Five Hundred Forty Four decimal One Six only) per equity share.

In addition to the floor price for the Preferential Allotment, the Company also considered the valuation report dated November 18, 2021, issued by Mr. Niranjan Kumar, a registered valuer, registration number IBBI/RV/06/2018/10137 (“**Valuation Report**”), an affiliate of Transaction Square, for determining the price of the Subscription Shares.

Pursuant to the Preferential Allotment, the equity shares are being subscribed by the Investor at INR 2,000 (Indian Rupees Two Thousand) (including a premium of INR 1,990 (Indian Rupees One Thousand Nine Hundred and Ninety) for each equity share) per equity share which is not lower than the floor price determined in accordance with the applicable provisions of ICDR Regulations.

5. Amount which the Company intends to raise by way of such securities:

Up to a maximum of INR 18,727,452,000 (Indian Rupees Eighteen Billion Seven Hundred and Twenty Seven Million Four Hundred and Fifty Two Thousand).

6. The class or classes of persons to whom the allotment is proposed to be made:

The allotment is proposed to be made to Kubota Corporation, Japan, a foreign body corporate incorporated in Japan.

7. Intent of the promoters, directors or key managerial personnel of the Company to subscribe to the Preferential Allotment:

None of the existing directors, key managerial personnel or promoters of the Company intend to subscribe to the proposed Preferential Allotment.

8. Time frame within which the Preferential Allotment shall be completed:

The proposed Preferential Allotment requires the approval of certain Applicable Regulatory Authorities, including from the Competition Commission of India. As required under the ICDR Regulations, the equity shares shall be allotted by the Company in accordance with the provisions of ICDR Regulations within a period of 15 (fifteen) days from the date of passing of this Resolution provided that where the proposed Preferential Allotment is pending on account of pendency of any approval for such allotment by the Competition Commission of India, any Applicable Regulatory Authorities or the Central Government, the allotment shall be completed within a period of 15 (fifteen) days from the date of receipt of last of such approvals.

9. Shareholding pattern of the Company before and after the Preferential Allotment

Sr. No.	Particulars	Pre-Preferential Allotment shareholding (as of November 12, 2021)		Post-Preferential Allotment shareholding (Assuming capital reduction scheme is not effective)#		Post-Preferential Allotment shareholding (Assuming capital reduction scheme is effective)#	
		Nos.	%	Nos.	%	Nos.	%
A	Promoter and Promoter Group Holding						
1	Indian						
	Individual	1442267	1.07%	1442267	1.00%	1442267	1.09%
	Body Corporate	14191382	10.53%	14191382	9.84%	14191382	10.76%
	Others: Trust	33700031	24.99%	33700031	23.37%	21442343	16.25%
	Sub Total	49333680	36.59%	49333680	34.21%	37075992	28.10%
2	Foreign promoters						
	Body Corporate*	0	0.00%	21621414	14.99%	21621414	16.39%
	Sub-Total	0	0.00%	21621414	14.99%	21621414	16.39%
	Sub-Total (A)	49333680	36.59%	70955094	49.21%	58697406	44.49%
	Sub Total	49333680	36.59%	49333680	34.21%	37075992	28.10%

B Public Holding							
I Institution							
Mutual Funds, Financial Institutions & Others	11819205	8.77%	11819205	8.20%	11819205	8.96%	
Foreign Portfolio Investors	27075619	20.08%	27075619	18.78%	27075619	20.52%	
ii Non-Institutions							
Individuals	25522121	18.93%	25522121	17.70%	25522121	19.34%	
Others	6058613	4.49%	6058613	4.20%	6058613	4.59%	
Kubota Corporation, Japan*	12257688	9.09%	0	0.00%	0	0.00%	
Sub Total (B)	82733246	61.36%	70475558	48.87%	70475558	53.41%	
C Non Promoter Non Public							
Escorts Employees Benefit Trust	2767640	2.05%	2767640	1.92%	2767640	2.10%	
Grand Total (A+B+C)	134834566	100%	144198292	100%	131940604	100%	

*Post issuance of equity shares on a preferential allotment, Kubota Corporation, Japan would be classified as Promoter of Escorts Limited.

#Capital reduction scheme filed with NCLT for cancellation and extinguishment of 1,22,57,688 (One Crore Twenty Two Lakh Fifty Seven Thousand Six Hundred and Eighty Eight) equity shares of Escorts Limited held by Escorts Benefit and Welfare Trust.

10. Identity of proposed allottees (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/ or who ultimately control), the percentage (%) of post preferential issue capital that may be held by them and change in control, if any consequent to the Preferential Allotment:

Name and Address of proposed allottee	Category	Pre Issue Holding		No. of Equity Shares to be allotted	Post Issue Holding		Name of the natural persons, who are the ultimate beneficial owners
		No. of Equity Shares	% of Holding		No. of Equity Shares	% of Holding	
Kubota Corporation, Japan Address: 2-47, Shikitsuhigashi 1-chome, Naniwa-Ku, Osaka 556- 8601, Japan	Public	12257688	9.09%^	93,63,726	21,621,414	14.99%^	Kubota Corporation is a public listed entity in Japan. There is no identified natural persons, who is the ultimate beneficial owner.

^ Assuming existing capital reduction scheme filed with NCLT for cancellation of 1,22,57,688 (One Crore Twenty Two Lakh Fifty Seven Thousand Six Hundred and Eighty Eight) is not effective.

Execution of the Definitive Agreements has triggered an obligation on the Investor to make an open offer to the equity shareholders of the Company in terms of applicable regulations of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Open Offer"). Subject to the approval of the members of the Company, regulatory approvals and the SHA becoming effective, the Investor will become a joint promoter along with the existing promoter in accordance with the SHA.

11. Lock-in period:

The equity shares proposed to be allotted on preferential basis to the Investor shall be locked-in for a period of 3 (Three) years from the date of receipt of trading approval granted for the listing and trading of the equity shares proposed to be issued pursuant to the Preferential Allotment, in accordance with requirements of ICDR Regulations.

The entire pre-preferential allotment shareholding of the Investor will be locked in from the Relevant Date up to a period of 6 (six) months from the date of trading approval.

12. Undertakings:

- None of the Company, its Directors or Promoters have been declared as willful defaulter as defined under the ICDR Regulations. None of its Directors or Promoters are fugitive economic offenders as defined under the ICDR Regulations.
- As the equity shares of the Company have been listed on the Stock Exchanges for a period of more than 26 (twenty six) weeks prior to the Relevant Date, the Company is not required to re-compute the price per equity share to be issued and therefore, the Company is not required to submit the undertaking specified under Regulation 163(1)(g) and Regulation 163(1)(h) of the ICDR Regulations and the provisions of Regulation 164(3) of ICDR Regulations governing re-computation of the price of shares, shall not be applicable.

13. Auditors' Certificate:

The Certificate being issued by Walker Chandiok & Co LLP, Chartered Accountants, Statutory Auditors of the Company certifying that the preferential issue is being made in accordance with the requirements contained in the ICDR Regulations, will be kept open for inspection at the Registered Office of the Company between 10:00 a.m. and 1:00 p.m. on all working days between Monday to Friday of every week, up to the last date specified by the company for E-voting.

14. Valuation for consideration other than cash, if any and the justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:

The proposed Preferential Allotment is for consideration in cash.

15. Listing:

The Company will make an application to the Stock Exchanges for listing of the equity shares to be allotted to the Investor. Such equity shares, once allotted, shall rank *pari passu* with the then existing equity shares of the Company in all respects, including dividend, and voting rights.

16. Other Disclosures:

- Notwithstanding the provisions of the second proviso to Rule 13(1) of the Companies (Share Capital and Debentures) Rules, 2014, as amended, which exempts a listed company from determining the price of the shares to be issued on a preferential basis by the valuation report of a registered valuer, the price of the Equity Shares has been determined taking into account the valuation report of a registered valuer, namely Mr. Niranjana Kumar, registration no. IBBI/RV/06/2018/10137 having office situated at N5 1003, Hills and Dales Phase 3, Undri, Pune - 411060.
- Prior to the Preferential Allotment, as proposed, the Company has not made any preferential issuance of equity shares or other securities or warrants convertible into or exchangeable for the equity shares to any person or entity, during the year commencing on April 01, 2021.
- The Investor has not sold or transferred any equity shares during the six months preceding the Relevant Date.
- No contribution is being made by the Promoters or the directors of the Company either as a part of the preferential issue or separately in furtherance of the objects specified herein.

All material terms of the preferential issue are covered in points 1 to 16 above.

In accordance with the provisions of Sections 23, 42 and 62 of the Act read with applicable rules thereto and relevant provisions of the ICDR Regulations, approval of the members for the Preferential Allotment is being sought by way of a special resolution as set out at the said item of the Notice. Issue of the equity shares pursuant to the Preferential Allotment shall be within the authorized share capital of the Company.

The Board of Directors believe that the proposed issue is in the best interest of the Company and its members and therefore recommends the Special Resolution as set out in the said Item in the accompanying notice for approval by the members.

None of the Directors, key managerial personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, except as shareholders in general in the said resolution.

Item No. 2

As per the terms of the SHA, upon coming into effect of the SHA, the Company is, subject to receipt of approval by the shareholders, required to change the name of the Company from Escorts Limited to "Escorts Kubota Limited" or such other name containing the trade names: "Escorts" and "Kubota", as may be mutually agreed between the Investor, Specified Promoters and Company, and as may be approved by the CRC.

In this regard, the Board of Directors of the Company in its meeting held on November 18, 2021 decided to change the name of the Company from "Escorts Limited" to "Escorts Kubota Limited" or any other name as approved by the Central Registration Centre ("**CRC**") containing the trade names "Escorts" and "Kubota", subject to the receipt of shareholders' approval and other applicable regulatory approvals.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

As per the provisions of Section 13 of the Companies Act, 2013, approval of the shareholders is required to be accorded for changing the name of the Company & consequent alteration in the memorandum of association and articles of association by way of passing a Special Resolution.

Hence, the resolution is put up for shareholders' approval.

The draft of new proposed altered memorandum of association and articles of association is placed on the website of the Company at www.escortsgroup.com. A certificate from the Chartered Accountants certifying compliance of regulation 45 (1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is placed on the website of the Company at www.escortsgroup.com.

None of the directors, Key Managerial Personnel and their relatives is concerned or interested in the passing of the aforesaid resolution, except to the extent of their shareholding, if any.

Item No. 3

The Explanatory Statement pursuant to Section 102 of the Act given hereunder sets out all material facts relating to the special business mentioned at the said Item of the accompanying Notice dated November 18, 2021 and necessary information or details in respect of the proposed alteration of the articles of association of the Company. As per the terms of the shareholders' agreement dated November 18, 2021 executed, *inter alia*, between the Investor and certain promoters represented by Mr. Nikhil Nanda ("**Specified Promoters**"),

EBWT and the Company (“SHA”), the Company is required to amend and restate its articles of association to incorporate the terms of the SHA. The amended articles of association (“Restated Articles”) shall become effective in accordance with the terms of the Definitive Agreements.

The summary of key changes in the Restated Articles include the following:

1. Rights of the parties with regard to composition of Board shall be as under:

Kubota Corporation Shareholding in Escorts (determined in accordance with the terms contained therein)	Board Size	Independent Directors	Non-Independent	
			Kubota’s Nominee	Specified Promoters’ Nominee
At least 16.38% but less than 40%	16 Directors	8 Directors	4 Directors	4 Directors
40% or more	18 Directors	9 Directors	5 Directors	4 Directors

2. Certain reserved matters have been identified approval of which shall need consent from both Investor and Specified Promoters till they own specified shareholding in terms of the SHA.
3. Investor and Specified Promoters are not allowed to transfer their shareholding in Escorts Limited, either directly or indirectly, for next 5 (five) years unless prior written consent is obtained from other party.
4. Right of First offer to Investor and Specified Promoters;

The Preferential Allotment as proposed in Item No. 1 to the Investors in the Company is subject to the receipt of (i) approval of this Item No. 3 (Amendment to the articles of the Company); and (ii) approval of Item No. 4 (Increase in the maximum number of directors on the board of the company).

A copy of the Restated Articles is placed on the website of the Company at www.escortsgroup.com

The Board recommends adoption of the Restated Articles.

The consent of the members is required under the provisions of Section 14 of the Act and hence, the Board of Directors propose Item No. 3 to be passed as a special resolution.

None of the Directors, manager, key managerial personnel or their respective relatives are in any way concerned or interested in the said resolution save and except to the extent of their shareholding (if applicable) in the Company.

Item No. 4

As per the terms of the Shareholders Agreement dated November 18, 2021 executed, inter alia, between the Investor and certain promoters represented by Mr. Nikhil Nanda (“Specified Promoters”), Escorts Benefit and Welfare Trust and the Company (“SHA”), subject to the approval of the members, the Board of Directors shall comprise of a maximum of 18 (Eighteen) directors.

It is clarified that the Preferential Allotment as proposed in Item No. 1 by the Investors in the Company is subject to the receipt of (i) approval of Item No. 3 (Amendment to the articles of the Company); and (ii) approval of this Item No. 4 (Increase in the number of directors on the board of the company).

In terms of proviso to Section 149(1) of the Companies Act, 2013, a company may appoint more than 15 (Fifteen) directors after passing a special resolution. It is proposed to increase the maximum number of directors a company can appoint from 15 (Fifteen) to 18 (Eighteen).

The composition of the Board of Directors of the Company, pursuant to the aforementioned increase in the maximum number of Directors, shall continue to be in accordance with the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In light of the above, members are requested to accord their approval to the agenda Item No. 4 of the accompanying notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives has any concern or interest, financial or otherwise, in the proposed resolution.

The Board recommends the Special Resolution as set out at item No.4 of the Notice for approval of the members.

Item No. 5

The Company and Kubota have decided to strengthen their partnership in pursuit of their vision of global leadership in Farm Equipment. Further, the Company is proposed to be the exclusive vehicle for business in India i.e. manufacturing, assembly, sales, marketing, financing, servicing, research and development of: (a) tractors; (b) combine harvester & rice transplanter; (c) utility vehicles; (d) turf equipment; (e) construction machinery; (f) engines; (g) implements; (h) transmission for tractors, construction equipment and implements; (i) other farm mechanisation equipment; and (j) spare parts of the items referred in (a) to (i) above (existing products and products to be jointly developed in future) (“Agri Machinery Business”).

As on date, Kubota’ business in India in certain products is primarily undertaken by Kubota Agricultural Machinery India Private Ltd (“KAI”) and Escorts Kubota India Private Limited (“EKI”). For this purpose, EKI and KAI enter into various transactions with Kubota and/ or its subsidiaries and/ or group companies.

With a goal of making Escorts as the exclusive vehicle of business in India, the Company and Kubota have decided to take necessary steps to evaluate and consider the feasibility of merger of KAI and EKI (Kubota's Subsidiaries in India where Escorts is also a partner) into the Company, subject to necessary approvals.

As on date, Kubota, an existing shareholder that owns 9.09% of the equity share capital of the Company, is a related party of the Company, however, the subsidiaries and/ or group companies of Kubota are not considered as related party of the Company as on date. However, upon the effectiveness the shareholders agreement dated November 18, 2021, ("SHA"), Kubota Corporation, Japan, will become a joint promoter along with the Specified Promoters in accordance with the SHA, and thereafter each of the subsidiaries and group companies of Kubota Corporation, Japan will become a related party of the Company, in terms of Section 2(76) of the Companies Act, 2013 ("the Act") and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

As per the provisions of Section 188 and any other applicable provisions of the Act and rules framed thereunder and as per Regulation 23 Listing Regulations as amended from time to time, all related party transactions shall require prior approval of the Audit Committee and all material related party transactions shall require approval of the members by way of an ordinary resolution. Pursuant to the provisions of Regulation 23 of the Listing Regulations, a transaction with a related party is considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the entity. Such material transactions require shareholders' approval.

The related party transaction(s)/ contract(s)/ arrangement(s) proposed to be undertaken between the Company and Kubota and/ or relevant subsidiaries and group companies of Kubota, upon effectiveness of the SHA, even though are in the ordinary course of business and on an arm's length basis, may exceed 10% of the annual consolidated turnover of the Company. While the value of related party transaction(s)/ contract(s)/ arrangement(s) with each relevant related party may not exceed 10% of the annual consolidated turnover of the Company, the aggregate of the value of related party transaction(s)/ contract(s)/ arrangement(s) proposed to be undertaken between the Company and Kubota and/ or relevant subsidiaries and group companies of Kubota, upon effectiveness of the SHA, may exceed 10% of the annual consolidated turnover of the Company.

The audit committee of the Company has, on November 18, 2021, provided its omnibus approval for the proposed related party transactions between the Company and Kubota and/or its subsidiaries and group companies. The board of directors of the Company have, vide means of Board resolution dated November 18, 2021, also provided its approval to the proposed related party transactions between the Company and Kubota and/or its subsidiaries and group companies.

Considering the future outlook of the business of the Company with the strengthening of the partnership between the Company and Kubota, the Board of Directors of the Company on recommendation of Audit Committee at its meeting held on November 18, 2021 approved the below mentioned related party transactions , subject to an aggregate limit of INR 4,500 Crores p.a. (excluding applicable taxes), (the peak limit of INR 4,500 Crores is expected to be achieved by the end of fifth year), for a period of 5 (Five) years w.e.f. the effectiveness of the SHA, subject to approval of members. These transaction(s)/contract(s)/arrangement(s) may be considered as material for the coming financial years in terms of the provisions of Regulation 23 of the Listing Regulations and therefore, the Board has proposed the same to be placed before the members for their approval as an Ordinary Resolution through Postal Ballot. The said approval would be effective for the period of 5 (five) years with effect from the effectiveness of the SHA. Looking at the nature of business of the Company and the transaction(s)/contract(s)/arrangement(s), such approval of members for the period of 5 (five) years is being obtained from the members at this point of time.

Once the related party transaction(s)/contract(s)/arrangement(s) contemplated in this item 5 are approved by the shareholders of the Company, and the SHA is effective, it will be deemed that these related party transaction(s)/contract(s)/arrangement(s) have been approved by the shareholders of the Company in accordance with Regulation 23 of the SEBI Listing Regulations.

Rationale for the Proposed Material Related Party Transactions

The rationale/benefits of the transaction(s)/contract(s)/arrangement(s) referred above are:

1. To create one of the largest Indo-Japan agriculture collaboration to attain global leadership in Agri Machinery Business;
2. The Company intends to leverage the strong and global distribution channels of Kubota Corporation, Japan and/or its subsidiaries and group companies, export of products manufactured by the Company;
3. The Company will leverage its existing distribution channels for sale of products purchased from Kubota and/or its subsidiaries and group companies. This will be cost effective given that the sales would lead to higher throughput using the existing channels of the Company, which would in turn result in increased revenues for the Company and increased profitability for the Company;
4. Technical and R&D collaboration for joint development of new products that will lead to (a) technological improvement in existing product line, (b) development of new product line for India and global markets and (c) cost and business efficiencies;
5. Procurement of materials, parts, engines, transmissions and other aggregates of products manufactured by Kubota Corporation, Japan and/or its subsidiaries and group companies, for use in manufacturing and distribution of Company's products to aid global competitiveness;
6. The below-mentioned related party transactions are intended to result in incremental benefits for both, the Company and Kubota through optimization of the costs and efficiency of resources;
7. The proposed contracts/ arrangements/transactions are in the ordinary course of business and on arm's length basis.

A. SALE, PURCHASE, DISTRIBUTION, SUPPLY OF PRODUCTS INCLUDING IN RELATION TO AGRI MACHINERY BUSINESS (INCLUDING TRACTORS, CONSTRUCTION EQUIPMENT, ENGINES), GOODS, RAW MATERIALS, AVAILING/RENDERING OF SERVICES, OR ANY OTHER TRANSACTIONS AS MAY BE DEEMED AS FIT BY THE BOARD

1.	Name of the related party	Kubota Corporation, Japan
2.	Nature of Relationship	Promoter of Company, post effectiveness of the SHA.
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. A above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transaction will be in relation to sale, purchase, distribution, supply of the products including in relation to Agri Machinery Business (including tractors, construction equipment, engines), goods, raw materials, availing/rendering of services, or any other transactions as may be deemed fit by the Board. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 450 Crores p.a. (peak limit of INR 450 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

B. SALE/DISTRIBUTION OF CERTAIN PRODUCTS INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES

1.	Name of the related party	Kubota Europe S.A.S., Kubota (Deutschland) GmbH and Kubota España S.A.; Kubota (U.K.) Ltd., Kubota Turkey Makine Ticaret Limited Sirketi, Kubota Philippines, Inc., Kubota Vietnam Co., Ltd., Kubota Malaysia Sdn Bhd, P.T. Kubota Machinery Indonesia, Kubota Myanmar Co., Ltd., Kubota Machinery Trading.
2.	Nature of Relationship	Upon effectiveness of the SHA, Kubota Europe S.A.S., Kubota (Deutschland) GmbH, Kubota España S.A. Kubota (U.K.) Ltd., Kubota Turkey Makine Ticaret Limited Sirketi, Kubota Philippines, Inc., Kubota Vietnam Co., Ltd., Kubota Malaysia Sdn Bhd, P.T. Kubota Machinery Indonesia, Kubota Myanmar Co., Ltd., Kubota Machinery Trading will constitute subsidiaries of the Promoter
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. B above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to sale and and/ or distribution of certain products including in relation to the Agri Machinery Business in the manner as may be identified by the parties, on such terms as maybe agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 1,200 Crores p.a. (peak limit of INR 1,200 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

C. PURCHASE OF PRODUCTS, COMPONENTS AND ACCESSORIES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES INCLUDING, KUBOTA BRANDED DIESEL ENGINE PRODUCTS (INCLUDING PARTS AND ACCESSORIES)

1.	Name of the related party	Kubota Corporation, Japan and Kubota Engine (Thailand) Co., Ltd.
2.	Nature of Relationship	Kubota Corporation, Japan will be a promoter of Company, post effectiveness of the SHA. Upon effectiveness of the SHA, Kubota Engine (Thailand) Co., Ltd. will constitute as subsidiary of Promoter
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. C above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to purchase of products, components and accessories including in relation to the Agri Machinery Business (including but not limited to the Kubota branches diesel engine products) in the manner as may be agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 410 Crores p.a. (peak limit of INR 410 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

D. PURCHASE OF PRODUCTS, COMPONENTS AND ACCESSORIES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES

1.	Name of the related party	Kubota Machinery Trading
2.	Nature of Relationship	Upon effectiveness of the SHA, Kubota Machinery Trading will constitute as subsidiary of Promoter.
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. D above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to purchase of certain products, components and accessories including in relation to the Agri Machinery Business in the manner as may be identified by the parties, on such terms as maybe agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA 4. Monetary Value – Not exceeding INR 200 Crores p.a. (peak limit of INR 200 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

E. PURCHASE AND SALE OF PRODUCTS, COMPONENTS AND ACCESSORIES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES.

1.	Name of the related party	SIAM Kubota Corporation / Kubota Industrial Equipment Corporation, Kubota Machinery Trading.
2.	Nature of Relationship	Upon effectiveness of the SHA, SIAM Kubota Corporation/ Kubota Industrial Equipment Corporation and Kubota Machinery Trading will constitute as subsidiary of Promoter.
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. E above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to purchase and sale of certain products, components and accessories including in relation to the Agri Machinery Business in the manner as may be identified by the parties, on such terms as maybe as agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, and in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 500 Crores p.a. (peak limit of INR 500 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

F. AVAILING TECHNICAL ASSISTANCE, PAYMENT OF ROYALTY, AND SUCH OTHER SERVICES AS MAY BE AGREED BETWEEN THE PARTIES

1.	Name of the related party	Kubota Corporation, Japan
2.	Nature of Relationship	Promoter of Company, post effectiveness of the SHA
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. F above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions will be in relation to the Company availing technical assistance, technical know-how, technical information, and other services as may be agreed between the parties. The Company for this purpose may pay a fee for any technology collaboration and technical assistance on the terms as may be agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 90 Crores p.a. (peak limit of INR 90 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

G. PURCHASE, SALE, DISTRIBUTION OF PRODUCTS, PARTS, COMPONENTS AND ACCESSORIES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES

1.	Name of the related party	SIAM Kubota Corporation
2.	Nature of Relationship	Upon effectiveness of the SHA, SIAM Kubota Corporation will constitute as subsidiary of Promoter.
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. G above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	<ol style="list-style-type: none"> 1. The proposed transactions will be in relation to the purchase, sale and distribution of certain products, parts, components, accessories including in relation to the Agri Machinery Business in the manner as may be identified by the parties, on such terms as maybe agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 1400 Crores p.a. (peak limit of INR 1400 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

H. PURCHASE, SALE, DISTRIBUTION OF SUCH PRODUCTS, PARTS, COMPONENTS AND ACCESSORIES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES, INCLUDING TRANSPLANTERS

1.	Name of the related party	Kubota Agricultural Machinery (SUZHOU) Co. Ltd. (" KAMS ")
2.	Nature of Relationship	Upon effectiveness of the SHA, KAMS will constitute as subsidiary of Promoter.
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. H above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	<ol style="list-style-type: none"> 1. The proposed transactions are in relation to purchase, sale, distribution of certain products, parts, components and accessories including in relation to the Agri Machinery Business (including transplinters) in the manner as may be identified by the parties, on such terms as maybe agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 100 Crores p.a. (peak limit of INR 100 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

I. AVAILING/RENDERING CERTAIN SERVICES INCLUDING IN RELATION TO THE AGRI MACHINERY BUSINESS AS MAY BE AGREED BETWEEN THE PARTIES, INCLUDING AFTER SALES SERVICES

1.	Name of the related party	Kubota Corporation, Japan
2.	Nature of Relationship	Promoter of Company, post effectiveness of the SHA
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. I above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to rendering or availing after sales services in relation to the products supplied and availing/ rendering such other services including in relation to the Agri Machinery Business as may be identified by the parties, on such terms as maybe agreed between the parties. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 100 Crores p.a. (peak limit of INR 100 Crores is expected to be achieved by end of fifth year), in the aggregate, per financial year.
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

J. SECONDMENT OF KUBOTA CORPORATION EMPLOYEES TO COMPANY

1.	Name of the related party	Kubota Corporation, Japan
2.	Nature of Relationship	Promoter of Company, post effectiveness of the SHA
3.	Name of the director or key managerial personnel who is related, if any.	Mr. Dai Watanabe and Mr. Yuji Tomiyama are the nominee directors of Kubota Corporation, Japan on the Board of Directors of the Company. None of the Directors, Key Managerial Personnel of the Company and their relatives are, in any way, concerned or related.
4.	Nature of contract or arrangement	As mentioned in point no. J above.
5.	Material terms (including duration), monetary value and particulars of the contract or arrangement	1. The proposed transactions are in relation to secondment of employees of Kubota Corporation to the Company. 2. Other terms of the transactions will be based on commercial negotiations, on arm's length basis, in tune with market parameters for transactions of similar nature and in compliance with applicable laws. 3. Duration – 5 (Five) years from the date of effectiveness of SHA. 4. Monetary Value – Not exceeding INR 50 Crores p.a. (peak limit of INR 50 Crores is expected to be achieved by end of fifth year).
6.	Rationale for the transaction	As mentioned under the heading ' <i>Rationale for the Proposed Material Related Party Transactions</i> '
7.	Details about arm's length pricing/ ordinary course of business	The related party/ contract(s)/ arrangement(s)/ transaction(s) shall be at an arm's length and in the ordinary course of business.

The Company will place the related party transactions approved by the shareholders under this resolution before its Audit Committee for approval on an annual basis. While making any approval, members of the Audit Committee will be required to ensure an arm's length pricing and that the same is in an ordinary course of business. Further, the Audit Committee will periodically review such related party transactions as per applicable law. Also, as per Ind AS 24, related party transactions will be disclosed in the financial results of the Company and will be disclosed to the Stock Exchange as applicable.

None of the Directors or Key Managerial Personnel of the Company or their relatives except Mr. Dai Watanabe and Mr. Yuji Tomiyama being representatives of Kubota Corporation, Japan on the Board of Directors of the Company may be deemed to be concerned or interested in the resolution as set out at Item No. 5 of the notice.

The Audit Committee of the Company has considered, approved and recommended the aforementioned transactions to the Board of your Company on November 18, 2021 basis the information received by them from the management, which inter alia includes the information contained herein.

In terms of Regulation 23(7) of the Listing Regulations, all entities falling within the definition of related parties under the Listing Regulations shall not vote to approve the relevant transactions irrespective of whether such entities are a party to the particular transaction or not. Accordingly, given that your Company has decided to obtain prior approval of the shareholders for the proposed transactions to be undertaken by Company, as a related party transaction, related parties of the Company (as defined under Regulation 2(1)(zb) of the Listing Regulations) shall not vote to approve the aforesaid resolution(s).

Basis such recommendation of the Audit Committee of the Company, the Board approved the aforementioned transactions on November 18, 2021 and recommends the resolution set out in the Item No. 5 as an Ordinary resolution.

**By Order of the Board of Directors
For Escorts Limited**

**Place: Faridabad
Date: November 18, 2021**

**Sd/-
Satyendra Chauhan
Company Secretary & Compliance Officer**