2004, debt was high, around ₹1,200 crore. Escorts needed an overhaul.

"We were confused. There were too many distractions in business. We were stretching ourselves and our resources by trying to do too many things," he says. "We lacked focus and in business that is a recipe for disaster."

A slow and steady comeback followed. In mid-2000s, it sold the distractions — Escotel and Escorts Heart Institute. This reduced debt and freed up some capital for the core tractor business. By the time Nanda became joint MD, a plan had started taking shape. Escorts needed to get its mojo back in tractors. "I realised early that customers still had a lot of respect for the brand and our products. They were forgiving and were willing to trust us provided we had the products. So, the plan was clear," he says.

The first green shoots emerged in 2011. Between fiscals 2008 and 2020, the company invested a record ₹986 crore, mostly into product development. The outcome was a new range of tractors – Farmtrac, a range of high-power tractors that opened up a new market for the company, and Powertrac, with superior fuel economy. Domestic sales doubled from 21,011 units in FY03 to about 45,000 units in FY08. They zoomed to over 80,000 units by FY18.

At the same time, Nanda worked hard to make the company leaner, more streamlined and frugal. The efforts showed up in EBITDA margin, a barometer of a company's efficiency. Between fiscals 2008 (12 months) and 2014 (18 months), consolidated top line grew from ₹2,653 crore to ₹6,502 crore. EBITDA margin, negative between 2003 and 2006, rose to 6 per cent in 2014.

"We sunk in a lot of investments in research and development. The products needed to speak for themselves on the farm. Our motto was simple, don't overpromise, but overdeliver," says Nanda. "We also instilled the feeling that we needed to earn our salaries and it had to start from me. I do not believe I own Escorts. Just because I am the promoter's son does not justify my position. I needed to show it through results."

The story has only become sweeter in the last six years and particularly in the last three years. In FY19, tractor sales came close to the psychological 1,00,000 mark. In the last five years, revenues have grown by an average of 22 per cent per annum while EBITDA margin, a subject of much obsession for Nanda, has risen to 11 per cent. The target is to improve it to 15 per cent, the best in the business.

"From being a company weighed down by debt, to becoming a net zero debt firm, to now sitting on cash, it has been a satisfying journey. Similarly, we have turned the corner from negative EBITDA to single digits and now double digits. Our next stop is 15 per cent, but it doesn't end there. We want to be the benchmark in EBITDA in this industry," he adds.

The remarkable turnaround and the sheer weight of the numbers on the back of stellar growth in last three fiscals has earned Nanda BT's Best CEO award in the automotive sector. The story has been closely tracked by peers from across sectors and they are impressed. "What Nikhil has done is inspirational. He has galvanised and transformed his company into a sharply focussed entity that has taken a life of its own," says Anil Rai Gupta, the Chairman and Managing Director of Havells India who is himself a second time winner in the consumer durables category.

How the Three Businesses Stack Up