



December 10, 2018

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 051 BSE – 500495	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra East, Mumbai – 400 051 NSE – ESCORTS	Delhi Stock Exchange Limited DSE House, 3/1, Asaf Ali Road, New Delhi – 110 002 DSE – 00012
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Subject: Presentation on Strategic Announcement - Escorts and Kubota join hands for Global Leadership

Dear Sir,

Pursuant to the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the presentation on Strategic Announcement - "Escorts and Kubota join hands for Global Leadership".

This is for your information and record.

Thanking you.

Yours faithfully,
For Escorts Limited

Ajay Sharma
Group General Counsel
& Company Secretary

Encl: as above



For Earth, For Life



Strategic Announcement

==== 10 December 2018 =====

KUBOTA AND ESCORTS JOIN HANDS FOR GLOBAL LEADERSHIP

- Escorts Ltd & Kubota Corporation eyes at strong domestic and exports market share by entering in to a Global Joint Venture for technology collaboration and joint manufacturing of high-end, value-oriented utility tractor range.
- Forms JV to establish new common manufacturing with initial capacity of 50,000. These tractors will be sold by both players respectively through their separate channel network in domestic market.
- As part of collaboration, Kubota to export Escorts tractors through Kubota global distribution network in specific markets as mutually agreed.
- While Escorts and Kubota continue to develop their distribution channel in India independently, both companies to share their technology platforms for mutual growth along with some greenfield opportunities in future.
- Both companies to jointly develop new products to cater to India and Overseas market.

Manufacturing Joint Venture (60:40)

For Earth, For Life
Kubota

60%

Brown Field JV in Faridabad, Haryana

Will do Contract Manufacturing for Customer

For Earth, For Life
ESCORTS Kubota

Combined Initial Total Investment of INR (₹.) 300 Crores

Flexible capacity of 50,000 Tractors/year From FY20-21 onwards

Farmtrac (FT) & Powertrac(PT)



Sales through Escorts Channel

Customer and Product

For Earth, For Life
Kubota



Sales through Kubota Channel

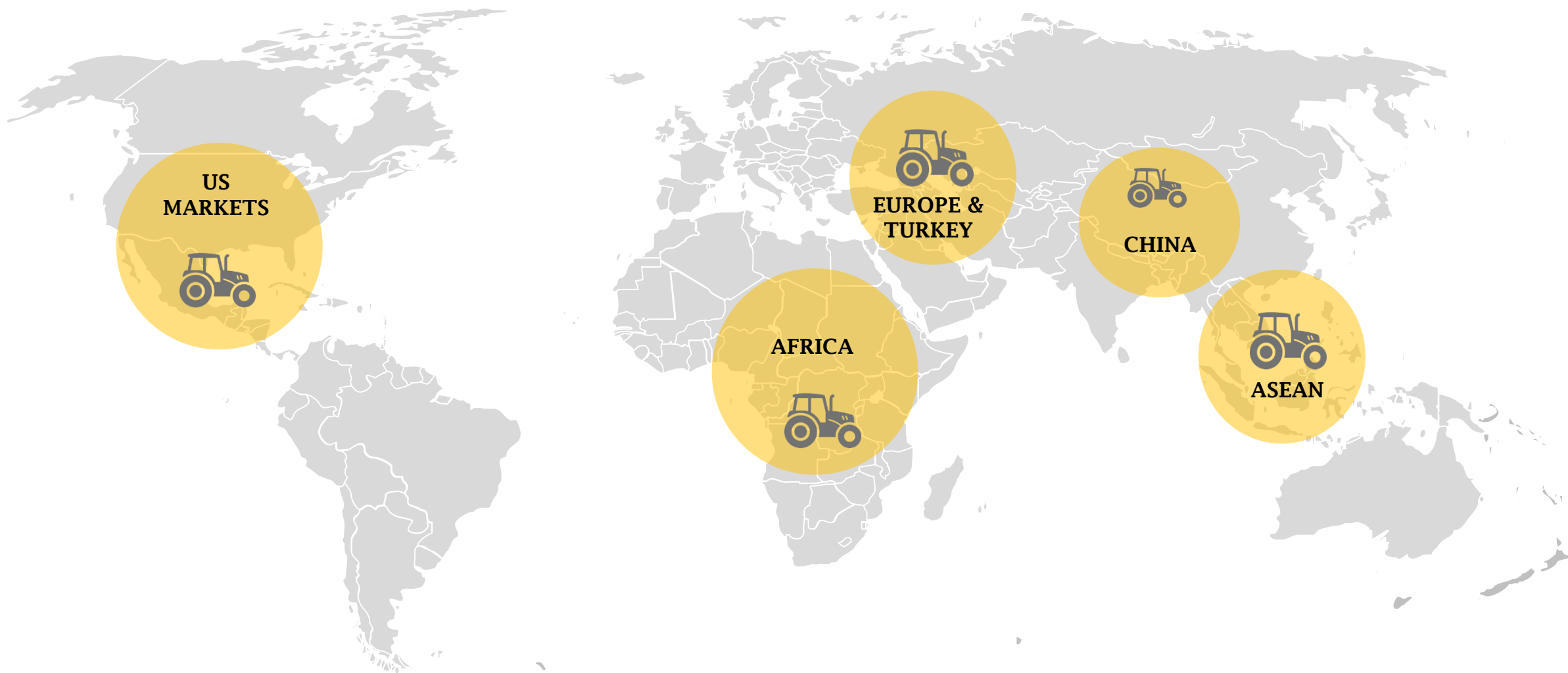
Kubota Tractors



40%

Sales Collaboration

Focus Market in Line with Vision 2022



Escorts Products exported under “**Joint Branding**”

Distribution Channel “**Kubota overseas**” network

Global Products Range under “Joint Branding”

Current Product Offering



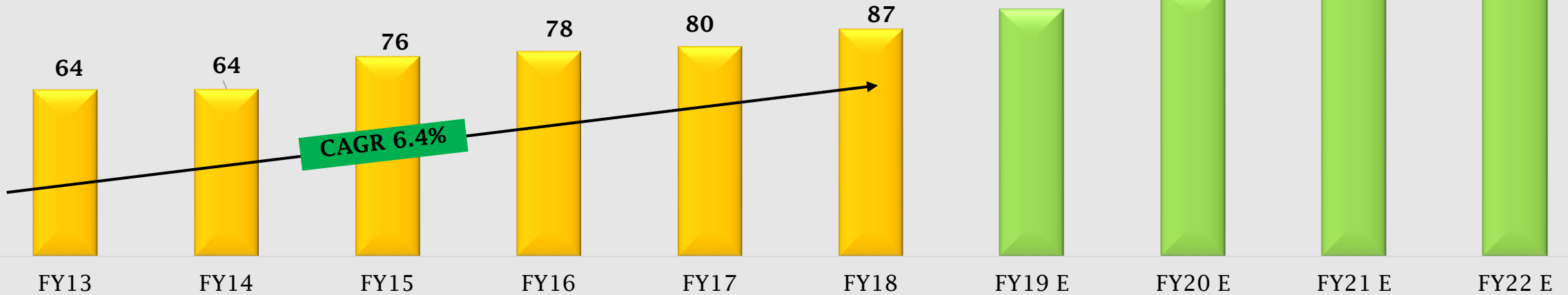
Joint Branding Offering



Export Market Size and Opportunity

Tractor Export from India

In `000s



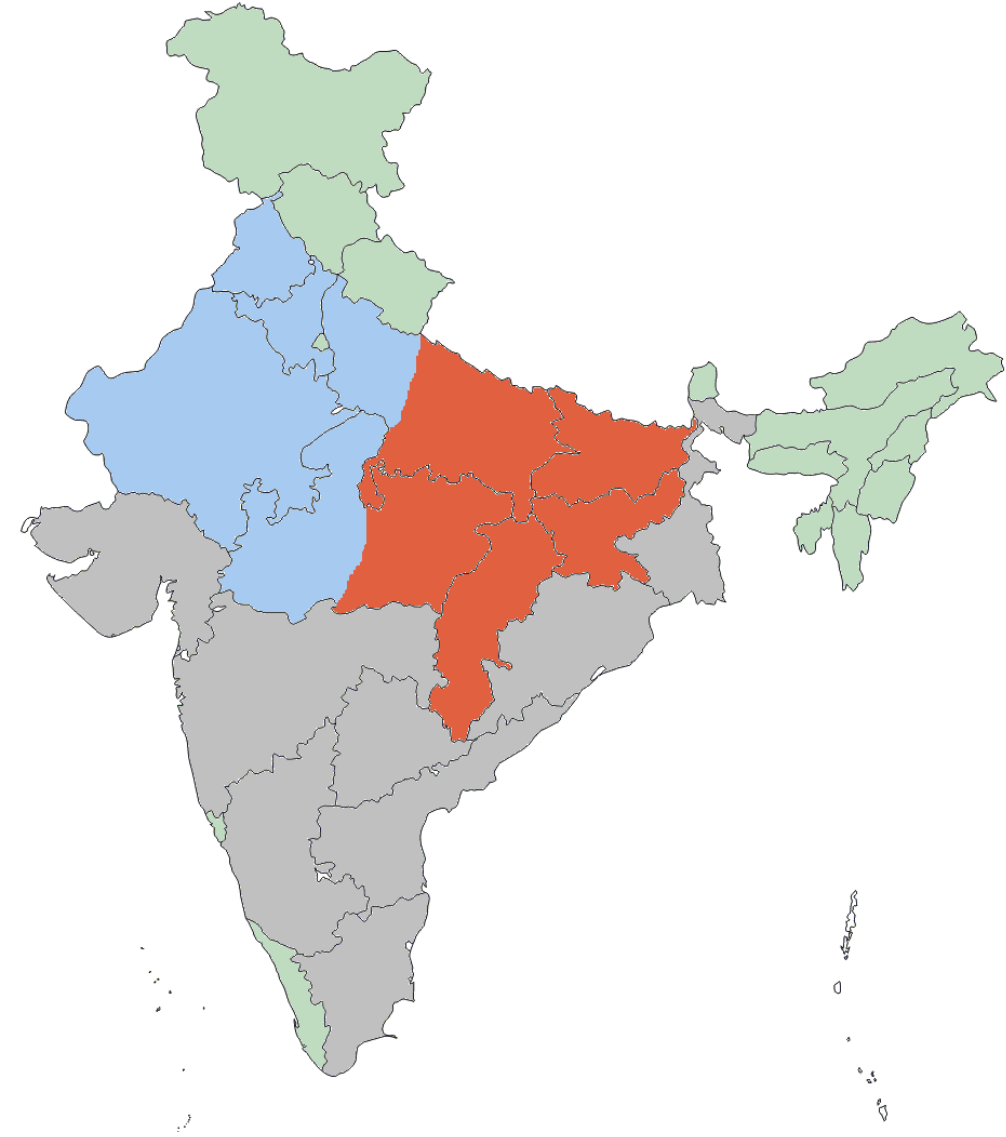
Tractor Exports from India projected to grow at CARG 6~8%

Mainly products under 120 HP Tractors

Applications: Hobby/Garden farming in Market (like USA)

Kubota opens its global channel for Escorts Products, Jointly targeting significant global share

Joint development of Tractors



Product Category

Tractors

Uses/ Applications

Mix - application use

Market

Primary in Southern and Eastern India

IPR

Both Escorts and Kubota to jointly own

Future potential for other Products/markets will be explored jointly

What we are bringing in together

Kubota Group

Global Technology

Global Japanese Quality

Global Leadership in sub 120 HP

Escorts Ltd.

Cost Efficiency

Frugal Manufacturing

Resources and Reach



Global Sales Collaboration

Common Supplier Base for cost optimization

Dedicated manufacturing plant for JV

Bring the world's best to India and offering India's best to World

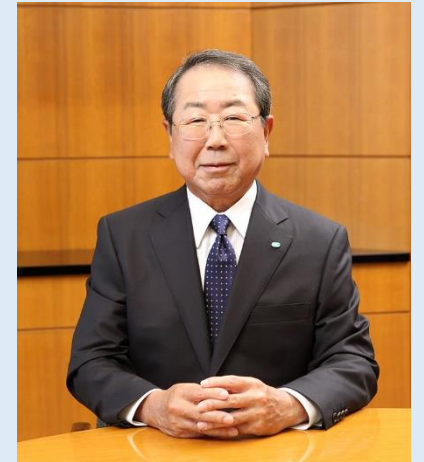
Future opportunities : Green field plant for additional capacity
&
Joint overseas investments in distribution/manufacturing

Speaking on JV



Nikhil Nanda, Chairman and Managing Director Escorts Limited, Said, “Escorts is evolving to a global organization through strategic technology collaborations and quality alliances. Our global Joint Venture with Kubota brings proven Japanese process excellence and quality benchmarks for a technology led collaborative growth in domestic and export markets. With our inherent strengths, technology, distribution and frugal engineering, we will access global opportunity markets and together will take a journey to global leadership”

Masatoshi Kimata, President and Representative Director, Kubota Corporation, said, “ We are excited to announce our partnership with Escorts group. Escorts has a strong technology legacy and diversified portfolio in agriculture equipment solutions market and Kubota has a proven global technology and together we will cater to India and other growing economies which require high-end technology and new age tractors for growing demands of highly mechanized farming. Kubota and Escorts, together, with their leadership in respective geographies will consolidate strengths and technology & innovation excellence to emerge as a global leader.”



About Kubota Corporation

- Established in **1890**
- **Kubota** Corporation (株式会社クボタ Kabushiki-kaisha **Kubota**) is a tractor and heavy equipment manufacturer based in Osaka, Japan.
- Product category- tractors and agricultural equipment, engines, construction equipment, vending machines, pipe, valves, cast metal, pumps and equipment for water purification, sewage treatment and air conditioning.
- 2/3rd revenue outside Japan markets
- Technology & Volume leadership <120 HP tractors.
- Net sales:- ¥1,751.5 billion (CY 2017)
- For more details visit @ www.kubota.com

About Escorts Limited

- Established in **1944**.
- Escorts Limited is among India's leading engineering conglomerates, operating in the high-growth sectors of Agri Machinery, Material Handling, Construction Equipment and Railway Equipment.
- The Group has earned the trust of over 5 million customers by way of product and process innovations over seven decades of its existence.
- Escorts endeavors to transform lives in rural and urban India by leading the revolution in agricultural mechanization, modernization of railway technology and transformation of Indian construction.
- **Net Sales** :- Rs. 5,055 Crore (FY 2018 - consolidated)
- For more details visit @ www.escortsgroup.com

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

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