



**Escorts Kubota Limited**

August 1, 2023

**BSE Limited**

Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai – 400001

**National Stock Exchange of India Limited**

Exchange Plaza, Bandra Kurla Complex,  
Bandra East, Mumbai – 400051

**BSE – 500495**

**NSE - ESCORTS**

**Sub: Intimation of Press Release and Earning Presentation**

Dear Sir/ Ma'am,

Please find enclosed herewith the Press Release and Earning Presentation on the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2023.

Kindly take the same on record.

Thanking you,  
Yours faithfully,  
For **Escorts Kubota Limited**

**Satyendra Chauhan**  
**Company Secretary**

Encl.: As above

**Escorts Kubota Limited**

(Formerly Escorts Limited)

**Corporate Secretarial & Law**

Registered Office - 15/5, Mathura Road, Faridabad-121003, Haryana, India

Tel.: +91-129-2250222 | E-mail: corp.secretarial@escortskubota.com | Website: www.escortsgroup.com

Corporate Identification Number L74899HR1944PLC039088

## EKL Standalone Q1FY24 Profit up by 91.8% to ₹ 282.8 Crore highest ever.

(Q1FY24 consolidated profit more than doubled to ₹ 289.9 Crore)

- **Tractor volumes at 26,582 units.**
- **Construction Equipment volumes up by 42.1% at 1,373 units.**
- **Standalone EBIDTA up by 62.2% at ₹ 326.9 crore.**
  - Margin up by 404 bps to 14.0%
- **Standalone Net Profit up by 91.8% to ₹ 282.8 crore highest ever.**
  - Margin up by 483 bps to 12.1%

**New Delhi, August 1, 2023:** Escorts Kubota Limited(EKL) today reported highest ever standalone profit of ₹ 282.8 crore in quarter ended June 30, 2023, up by 91.8% as against a profit of ₹ 147.5 crore in corresponding quarter and up by 52.5% as against ₹ 185.5 crore in sequential quarter.

### Q1 Highlights (YoY)

Particulars	% Growth (YoY)	Value % to revenue
Tractor Volume	-0.8%	26,582 units
Construction Volume	42.1%	1,373 units
Railway Revenue	71.8%	₹ 297.7 Cr.
Total Revenue From Operations	15.5%	₹ 2,327.7 Cr.
EBIDTA	62.2% +404 bps	₹ 326.9 Cr. 14.0%
Net Profit	91.8% + 483 bps	₹ 282.8 Cr. 12.1%

**Please note:** - All numbers are standalone | Cr.=Crore | FY= Fiscal Year from April to March | bps = Basis points | YoY = Year on Year

Revenue from operations for the quarter came at ₹ 2,327.7 crore up by 15.5% as against ₹ 2,014.9 crore in corresponding quarter and up by 6.6% as against ₹ 2,183.0 crore in sequential quarter.

EBIDTA for the quarter came at ₹ 326.9 crore correspondingly up by 62.2% as against ₹ 201.6 crore and sequentially up by 38.6% as against ₹ 235.8 crore, led by operating leverage, and softening in commodity prices.

Consolidated revenue from operations for the quarter ended June 2023 came at ₹ 2,355.2 crore correspondingly up by 15.9% and sequentially up by 6.4%. Consolidated net profit after tax correspondingly more than doubled to ₹ 289.9 crore as against ₹ 140.6 Crore in the previous year and up by 33.9% as against ₹ 216.5 crore in sequential quarter. EPS reported at ₹ 26.76 as

against ₹ 13.01 in corresponding quarter and ₹ 19.99 in sequential quarter.

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## Escorts Kubota Limited

**Speaking on the results, Chairman and Managing Director Mr. Nikhil Nanda said,** “In the agri business, overall sentiments were mixed last quarter as markets with good rainfall and crop prices showed good momentum, and markets with a delayed monsoon had a slightly dampened demand. Going forward, with further advancement of monsoon across the country, adequate reservoir levels, better liquidity, and consumer credit availability, we expect the demand momentum to improve. Construction business has done well and is poised well for further growth with government thrust and focus on faster execution of infrastructure projects. The demand for construction machinery is still buoyant and post monsoon, we expect the momentum to further accelerate. Railway business, with innovative products and expanded portfolio is well aligned with growing requirements of rail transport both on domestic and international front and continues to grow. Our investments will continue towards sustainable products and solutions, expanded portfolio, enhanced customer reach and product experience.”

**As per Deputy Managing Director, Mr. Seiji Fukuoka,** “In addition to our domestic business growth, we are strategically aligning our efforts to leverage on our export network for further impetus and open new opportunities. Innovative product line expanded coverage and quality excellence remains our top priority. Capacity built-up and process optimization will help us in further growth and create new benchmarks in customer experience.”

### **SEGMENT WISE PERFORMANCE**

#### ***Agri Machinery Products***

For the quarter ended June 2023, Tractor volumes came at 26,582 units as against 26,797 units in the corresponding period last year and up by 7.3% as against 24,765 units in sequential quarter. Segment revenue went up by 4.5% to ₹ 1,666.8 crore in quarter ended June 2023 as against ₹ 1,595.8 crore in corresponding period last year and went up by 7.0% against ₹ 1,557.5 crore in sequential quarter. EBIT margin for the quarter ended June 2023 went up by 285 bps to 13.4% as against 10.6% in the corresponding period last year and up by 348 bps against 9.9% in sequential quarter mainly led by better realization and softening in commodity prices.

#### ***Construction Equipments***

For the quarter ended June 2023, Construction Equipment’s sales were up by 42.1% to 1,373 units, our highest ever first quarter volume as against 966 units in the corresponding period last year and down by 10.1% as against 1,528 units in sequential quarter. Segment revenue went up by 46.3% to ₹ 360.1 crore in quarter ended June 2023 as against ₹ 246.1 crore in corresponding period last year and down by 6.4% as against ₹ 384.8 crore in sequential quarter. EBIT margin for the quarter ended June 2023 were up

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## Escorts Kubota Limited

by 658 bps to 7.6% as against 1.0% in the corresponding period last year and down by 52 bps against 8.1% in sequential quarter.

### ***Railway Equipments***

For the quarter ended June 2023, Railway Equipment's Segment revenue went up by 71.8% to ₹ 297.7 crore ever highest as against ₹ 173.4 crore in corresponding period last year and was up by 25.5% as against ₹ 237.2 crore in sequential quarter. EBIT margin for the quarter ended June 2023 were up by 738 bps to 20.9% as against 13.6% in the corresponding period last year and were up by 697 bps against 14.0% in sequential quarter. Order book for the division, at end of June 2023, was approx. ₹ 950 crore.

***The reviewed accounts of the quarter ending June 2023 have been approved by the Board of Escorts Kubota Limited.***

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***For further information, kindly contact:***

A handwritten signature in blue ink, appearing to read 'Bharat Madan', with a long horizontal stroke extending to the right.

**Bharat Madan**

Whole Time Director & Chief Financial Officer

E-mail: [bharat.madan@escortskubota.com](mailto:bharat.madan@escortskubota.com)

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# Escorts Kubota Limited

(Formerly Escorts Limited)

**Q1 FY24 | EARNING PRESENTATION**

**1<sup>st</sup> August 2023**

**BSE: 500495 | NSE: ESCORTS**



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# Escorts Kubota Limited: Overview

(Formerly Escorts Limited)

**Escorts Kubota Limited (EKL)** A leading engineering conglomerate with a history of over seven decades, steering India's socio-economic growth through pioneering contribution in critical industrial sectors.

## Three Business Divisions:

1. **Agri Machinery** - Tractors, Engine, implements, Spare parts and Lubes
2. **Construction Equipment** - Material handing, Road compaction and Earth Moving Equipment.
3. **Railway Equipment** - Brake System, Couplers, Suspension System, Friction & rubber Products.

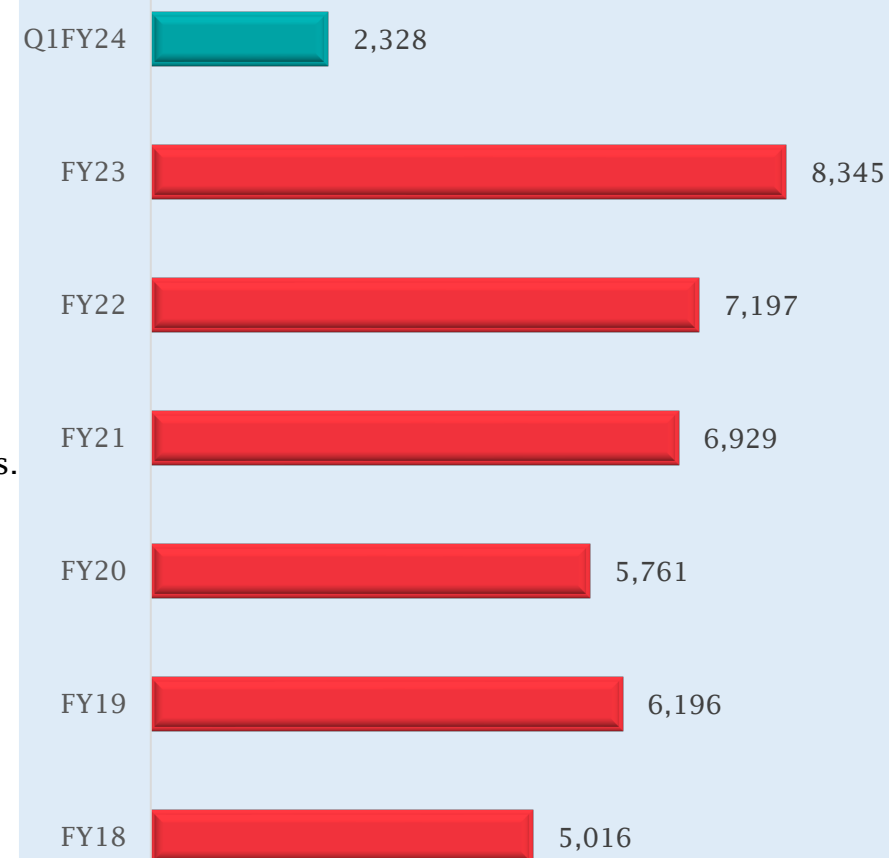
**Headquartered In:** Faridabad, Haryana, India

**Manufacturing Facilities:** 6 Plants\* located in Faridabad, Haryana, India

**Exchange Listing# :** Listed on NSE and BSE

**Market Capitalization:** ~ Rs 33,607.25 Crores as on 31<sup>st</sup> July 2023

Standalone Revenue in ₹. Crore.



# Q1FY24 YoY Highlights

Particulars	Industry Growth	EKL Growth	Variance
Domestic Tractor Volume	-1.9%	2.5%	● 4.4%
Export Tractor Volume	-31.1%	-38.1%	● -6.9%
<b>Total Tractor Volume</b>	<b>-5.3%</b>	<b>-0.8%</b>	<b>● 4.5%</b>
PNC Volume	58.8%	45.0%	● -13.8%
BHL Volume	23.4%	10.4%	● -13.0%
Compactor Volume	32.5%	88.6%	● 56.1%
<b>Served Construction Equipment Volume*</b>	<b>30.1%</b>	<b>42.5%</b>	<b>● 12.4%</b>
<b>Railway Segment Revenue</b>		<b>71.8%</b>	

● Positive   ● Neutral   ● Negative



\*Served Construction Equipment include- PNC Cranes, Backhoe loaders and Compactors

% rounded off to nearest single decimal



# Q1FY24 YoY at a Glance

Particulars	Unit	Q1FY24	Q1FY23	Variance
Domestic Tractor Market Share	%	9.7%	9.3%	● 41 bps
Revenue from Operations	₹ Cr.	2,327.7	2,014.9	● 15.5%
Material Cost	%	69.8	72.2	● -238 bps
Manpower Cost	%	6.4	6.8	● -42 bps
EBIDTA	₹ Cr.	326.9	201.6	● 62.2%
EBIDTA Margin	%	14.0	10.0	● 404 bps
Other Income	₹ Cr.	94.5	35.4	● 166.7%
PBT	₹ Cr.	378.6	198.1	● 91.1%
PAT	₹ Cr.	282.8	147.5	● 91.8%
EPS	₹	23.18	11.38	● 103.7%

● Positive ● Neutral ● Negative



# Q1FY24 YoY at a Glance

**26,582**  
Tractors Volumes

 -0.8%

**1,373**  
Construction Equipment's

 42.1%

**₹ 297.7 Crore**  
Revenue from Railway Equipment

 71.8%

**₹ 2,327.7 Crore**  
Revenue From Operations

 15.5%

Quarterly Ever Highest

**₹ 326.9 Crore**  
EBIDTA

 62.2%

**₹ 282.8 Crore**  
Profit After Tax

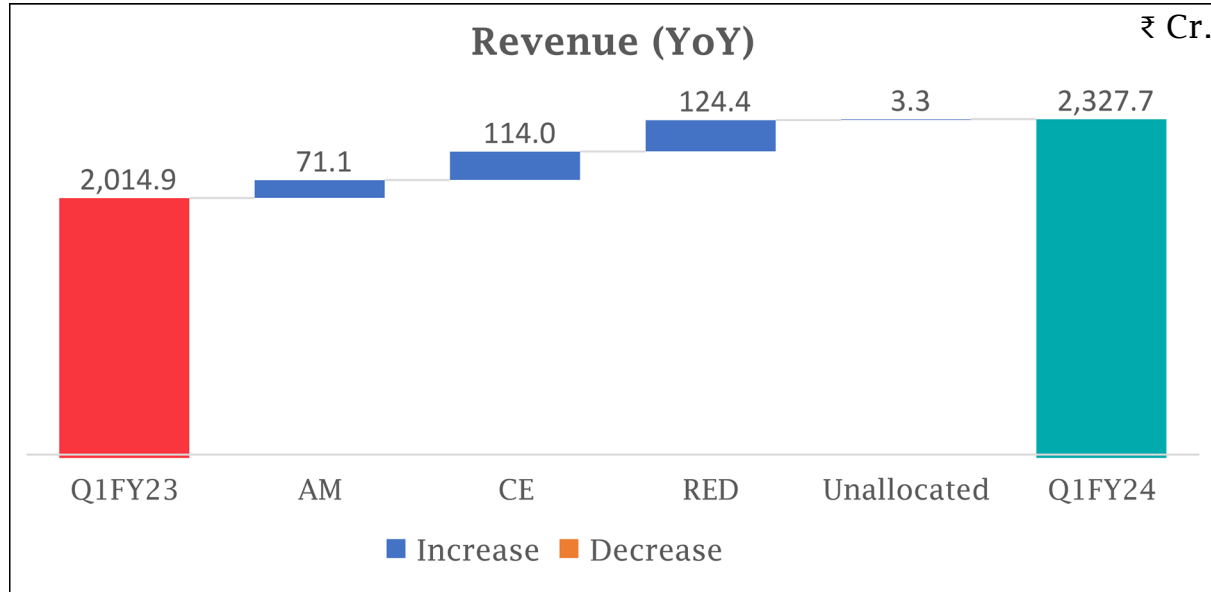
 91.8%

Quarterly Ever Highest



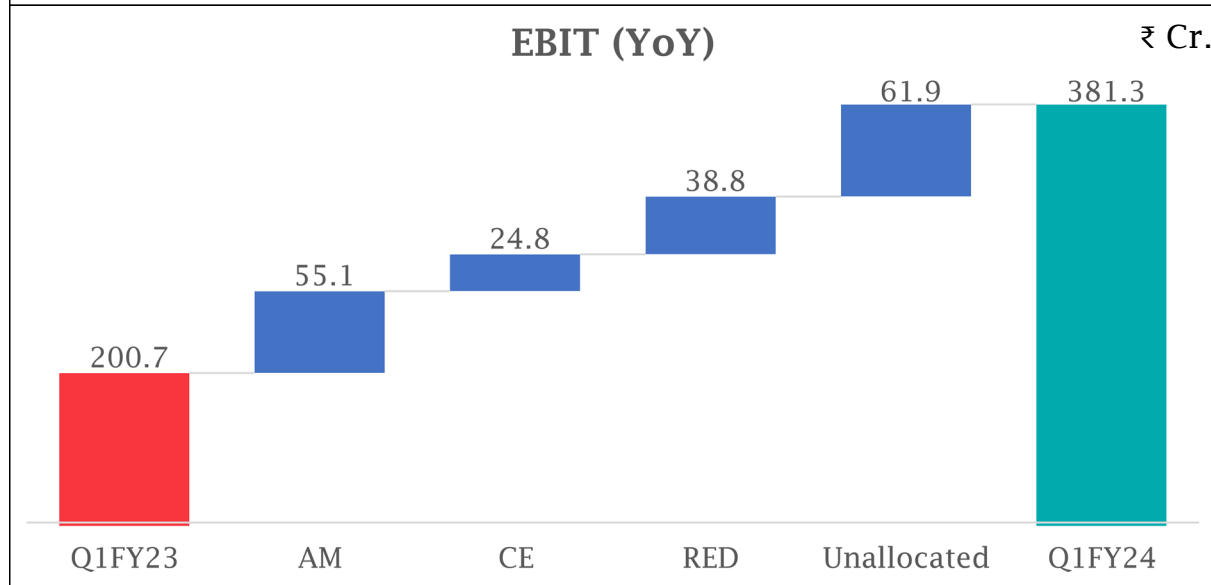
% rounded off to nearest single decimal

# Q1 - YoY Revenue up by 15.5%; EBIT up by 90.0%



## Revenue Key Highlights

- Tractor Sales at 26,582 units
- Construction Equipment Sales up by 42.1% at 1,373 units
- Railway Equipment revenue up by 71.8% at ₹ 297.7 Crore.



## EBIT Key Highlights

- Operating leverage.
- Higher non-operating income
- Softening in commodity prices



# Q1FY24 QoQ at a Glance

Particulars	Unit	Q1FY24	Q4FY23	Variance
Domestic Tractor Market Share	%	9.7%	10.9%	● -127 bps
Revenue from Operations	₹ Cr.	2,327.7	2,183.0	● 6.6%
Material Cost	%	69.8	71.5	● -171 bps
Manpower Cost	%	6.4	7.2	● 79 bps
EBIDTA	₹ Cr.	326.9	235.8	● 38.6%
EBIDTA Margin	%	14.0	10.8	● 324 bps
Other Income	₹ Cr.	94.5	76.3	● 23.9%
PBT Before Exceptional Item	₹ Cr.	378.6	271.4	● 39.5%
PAT	₹ Cr.	282.8	185.5	● 52.5%
EPS	₹	23.18	14.27	● 62.4%

● Positive ● Neutral ● Negative



# Q1FY24 QoQ at a Glance

**26,582**  
Tractors Volumes

 7.3%

**1,373**  
Construction Equipment's

 -10.1%

**₹ 297.7 Crore**  
Revenue from Railway Equipment

 25.5%

**₹ 2,327.7 Crore**  
Revenue From Operations

 6.6%

Quarterly Ever Highest

**₹ 326.9 Crore**  
EBIDTA

 38.6%

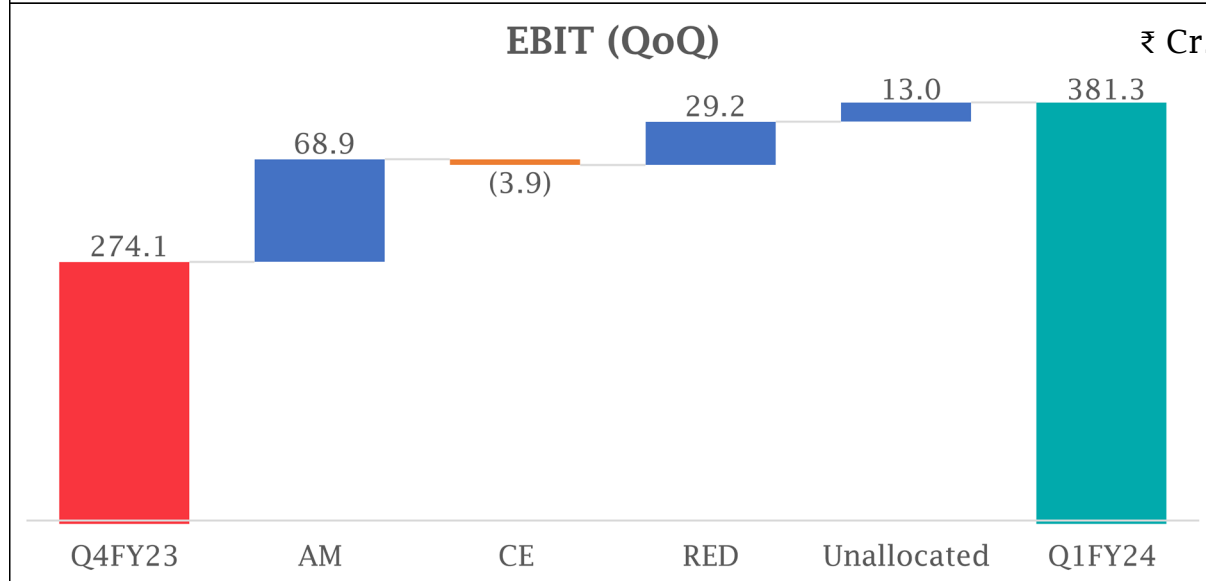
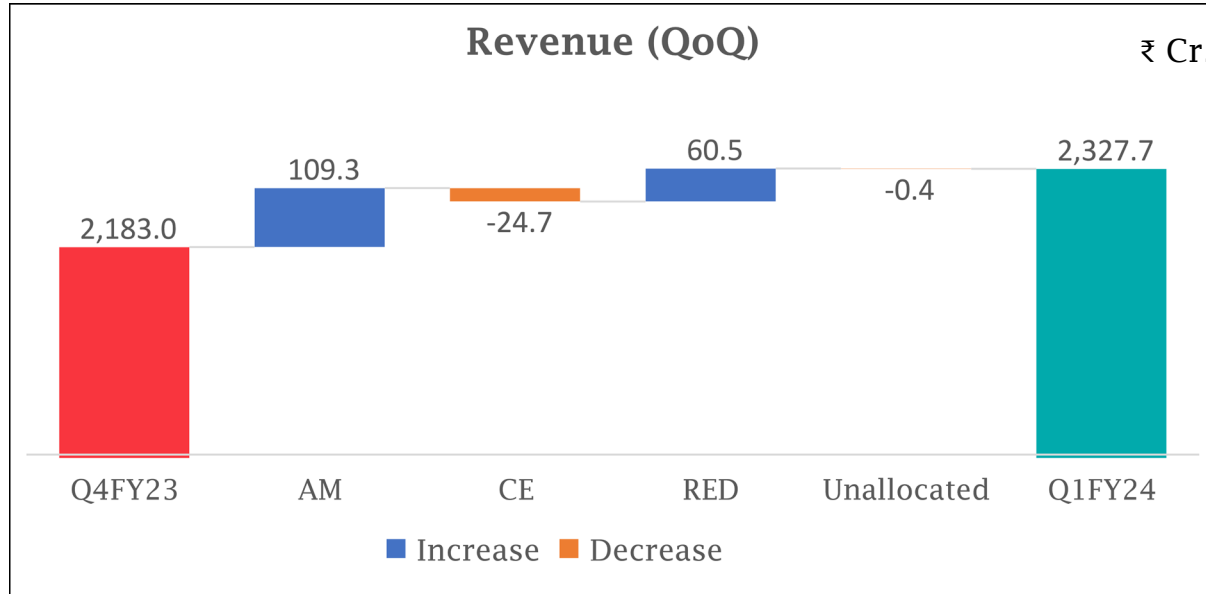
**₹ 282.8 Crore**  
Profit After Tax

 52.5%

Quarterly Ever Highest



# Q1 - QoQ Revenue up by 6.6%; EBIT up by 39.1%



## Revenue Key Highlights

- Tractor Sales up by 7.3% at 26,582 units
- Construction Equipment Sales down by 10.1% at 1,373 units
- Railway Equipment revenue up by 25.5% at ₹ 297.7 Crore.

## EBIT Key Highlights

- Cost Reduction
- Operating leverage in Agri and railway business segment.
- Higher non-operating income



# Q1FY24 at a Glance

**₹ 23.2**

Earning Per Share

**18.3%**

Return on Capital Employed  
(Annualized)

**13.3%**

Return on Equity  
(Annualized)

**~82%**

Capacity Utilization

**Agri Machinery**

**~50%**

Capacity Utilization

**Construction Equipment**  
(Capacity varies across product category)

**~ ₹ 950 Crore**

Of Order Book

**Railway Equipment Division**  
(as of 30<sup>th</sup> June 2023)

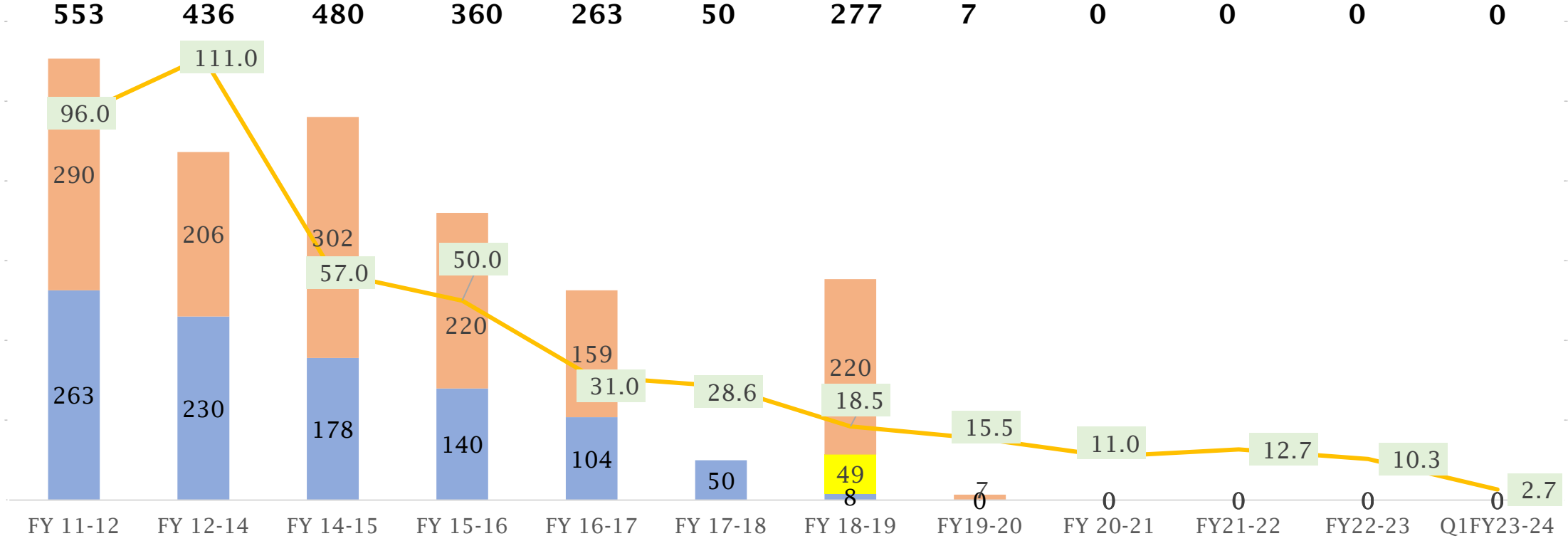


# Credit Rating & Debt Profile

Long Term Credit Rating



(₹ Crs.)



Term Loan    Commercial paper    WC    Finance Cost

Please note:-

- Nos. from FY 11-12 to FY 14-15 is as per IGAAP.
- Finance Cost for FY 12-14 is for 18 months.







In the Agri business, overall sentiments were mixed last quarter as markets with good rainfall and crop prices showed good momentum, and markets with a delayed monsoon had a slightly dampened demand. Going forward, with further advancement of monsoon across the country, adequate reservoir levels, better liquidity, and consumer credit availability, we expect the demand momentum to improve. Construction business has done well and is poised well for further growth with government thrust and focus on faster execution of infrastructure projects. The demand for construction machinery is still buoyant and post monsoon, we expect the momentum to further accelerate. Railway business, with innovative products and expanded portfolio is well aligned with growing requirements of rail transport both on domestic and international front and continues to grow. Our investments will continue towards sustainable products and solutions, expanded portfolio, enhanced customer reach and product experience.

## Nikhil Nanda Chairman and Managing Director

In addition to our domestic business growth, we are strategically aligning our efforts to leverage on our export network for further impetus and open new opportunities. Innovative product line expanded coverage and quality excellence remains our top priority. Capacity built-up and process optimization will help us in further growth and create new benchmarks in customer experience.



## Mr. Seiji Fukuoka, Deputy Managing Director



# Segmental Performance



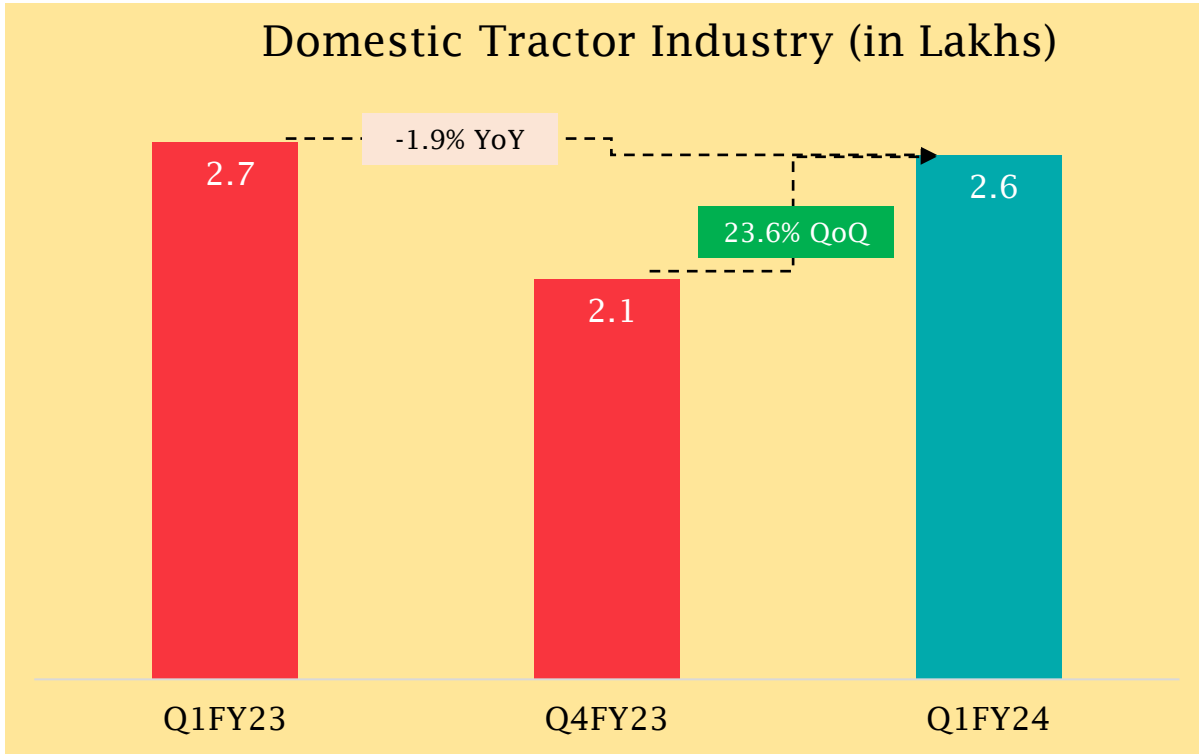
# Agri Machinery



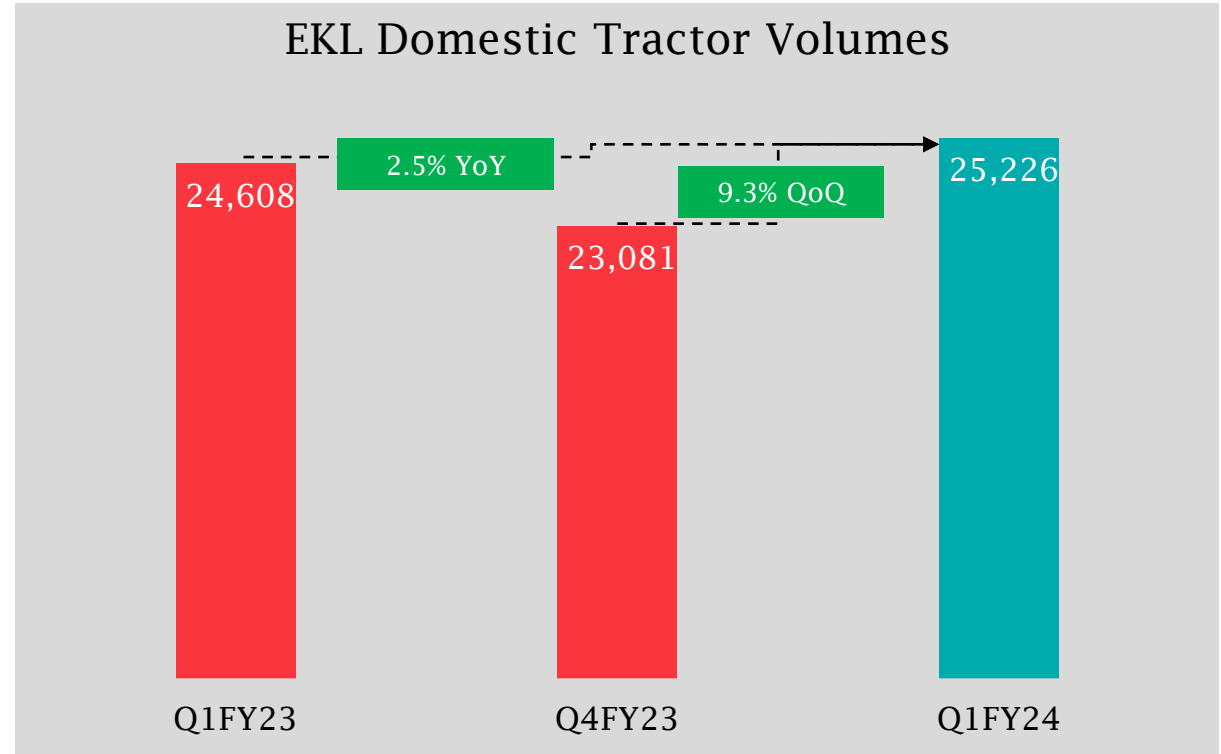
**Powering The Dreams Of Farmer**

# Q1 Agri Machinery Domestic Performance

Domestic Tractor Industry (in Lakhs)



EKL Domestic Tractor Volumes



Industry in Strong Regions grew by 1.0% Y-o-Y

Industry in Rest Region down by 5.0% Y-o-Y

EKL-Tractor In Strong Region down by 0.1% Y-o-Y

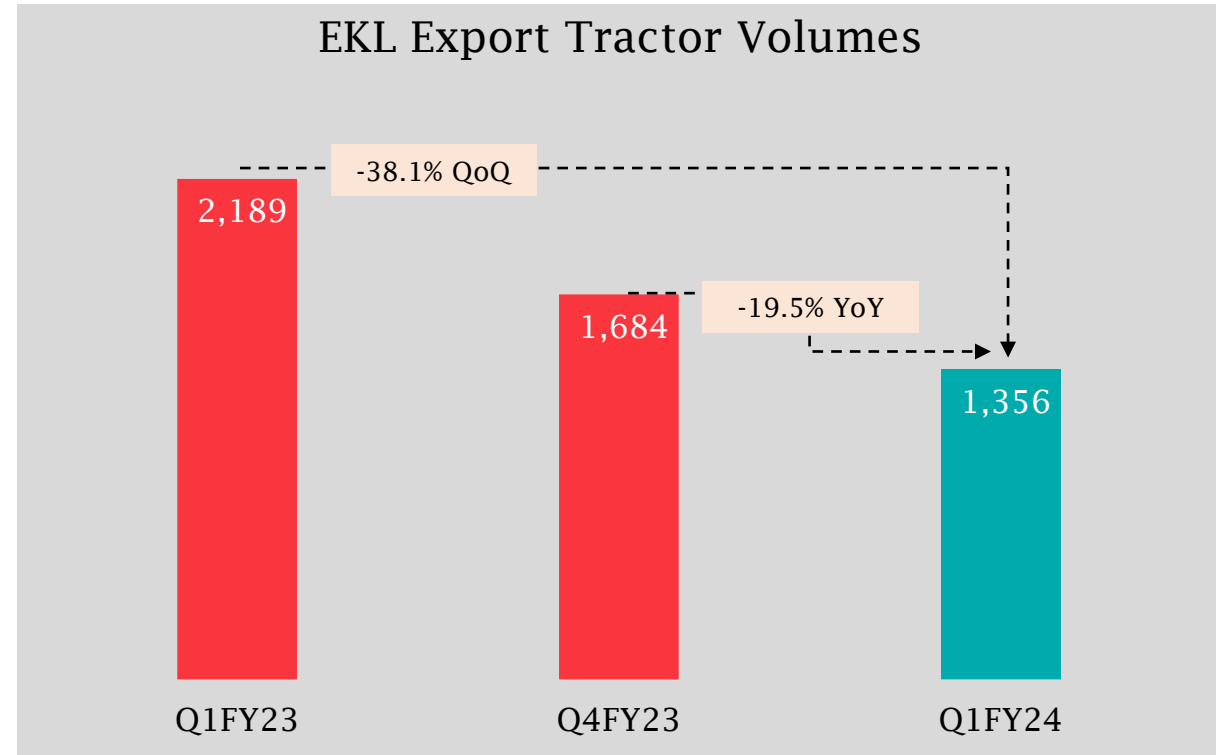
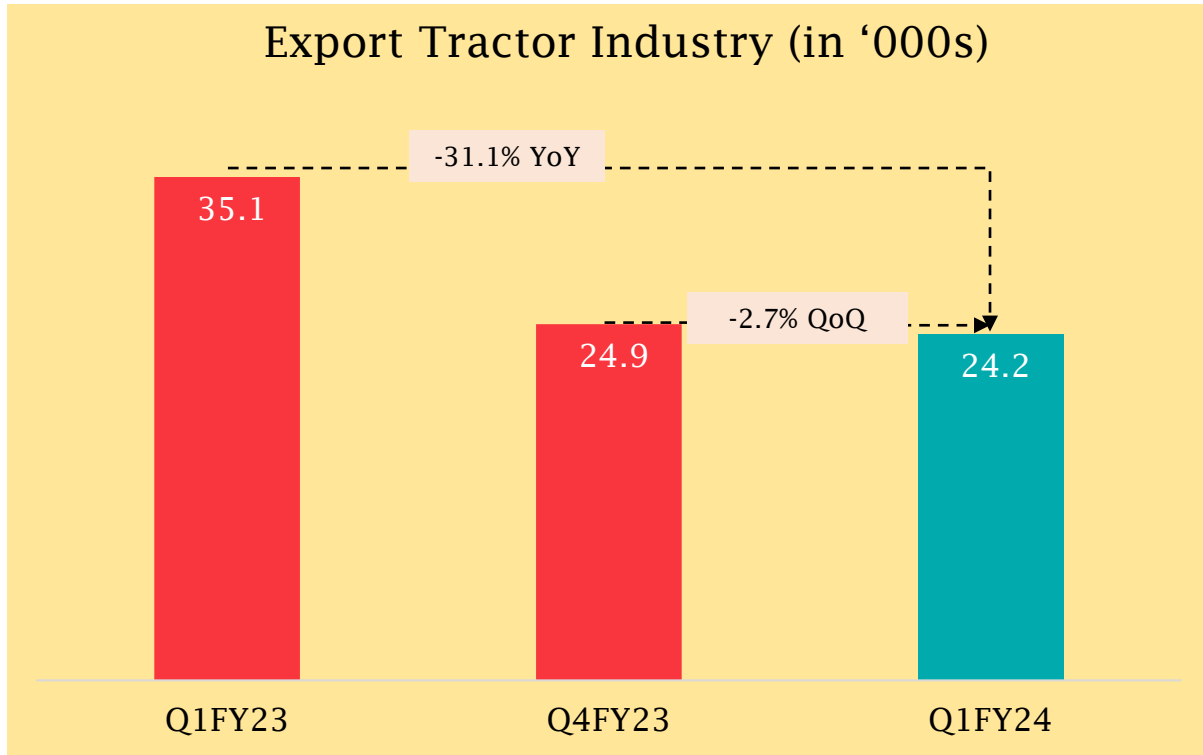
ELK - Tractor In Rest Region grew By 8.7% Y-o-Y

Growth

De-Growth



# Q1 Agri Machinery Export Performance



Export through Kubota channel ~32% of total Export volume

5.6% Share of Market in Q1FY24, down by 63 bps Y-o-Y

Growth

De-Growth



% rounded off to nearest single decimal


# Agri Machinery Performance at Glance in Q1


**₹ 1,666.8 Crore**  
Segmental Revenue

 **4.5%**  
(Y-o-Y)

 **7.0%**  
(Q-o-Q)

**13.4%**  
EBIT margin

 **285bps**  
(Y-o-Y)

 **348 bps**  
(Q-o-Q)

**~82%**

Capacity Utilization

**44:56**

Farmtrac : Powertrac Sales Ratio\*

**40:60**  
(In Q1FY23)

**44:56**  
(In Q4FY23)

**39:61**

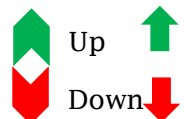
Less than 40 HP : Greater than 40 HP  
Sales Ratio\*

**40:60**  
(In Q1FY23)

**34:66**  
(In Q4FY23)

**38.5%**

Return on Capital Employed  
(Annualized)

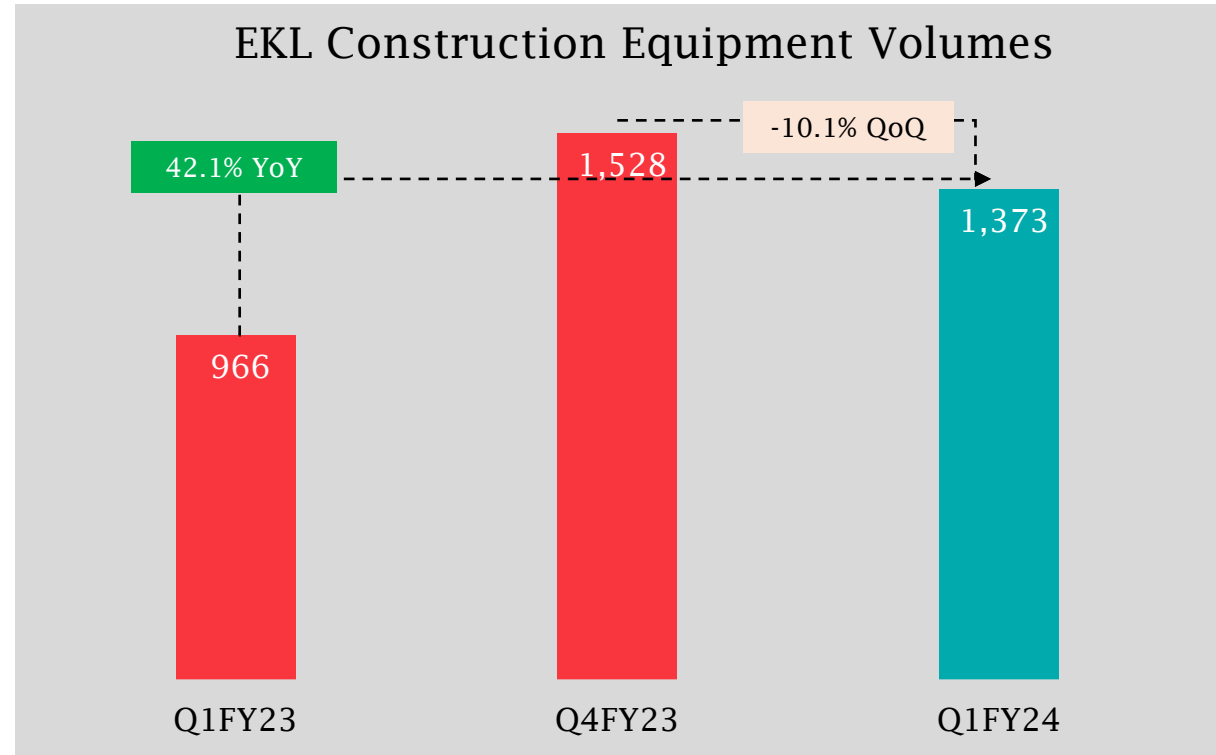
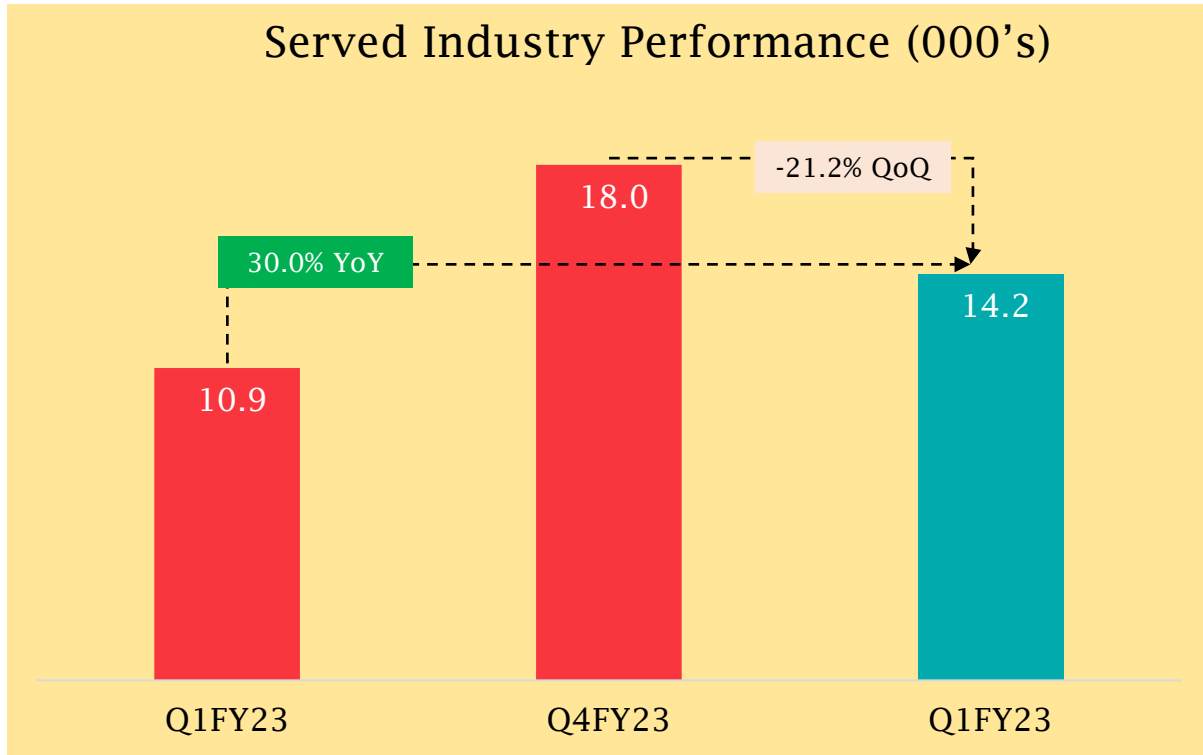


# Construction Equipment

**Building a  
Better Tomorrow**

**Preferred Partner In Nation Building**

# Q1 - Construction Equipment Performance



BHL Industry up by 23% Y-o-Y

PnC Industry up by 59% Y-o-Y

Compactors Industry up by 32% Y-o-Y

Growth

De-Growth



% rounded off to nearest single decimal



# Construction Equipment Performance at Glance in Q1FY24

**₹ 360.1 Crore**  
Segmental Revenue

46.3% (Y-o-Y) -6.4% (Q-o-Q)

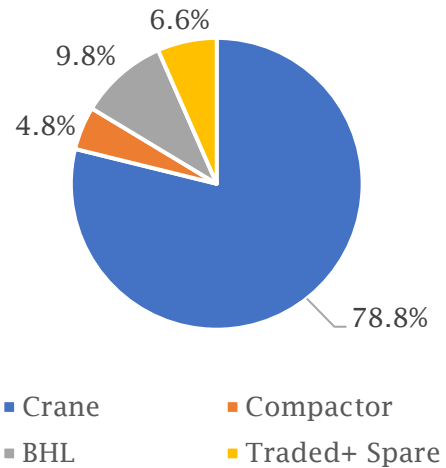
**7.6%**  
EBIT margin

658 bps (Y-o-Y) -52 bps (Q-o-Q)

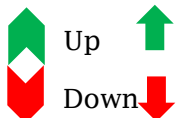
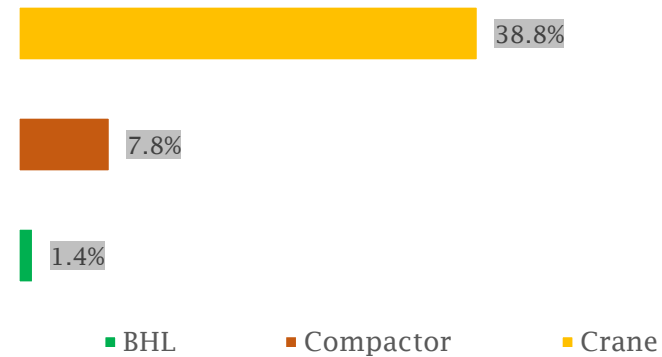
**~50%**

Capacity Utilization  
(Capacity varies across product category)

## Revenue Break up



## Product wise Market Share



% rounded off to nearest single decimal

# Railway Equipment Division



**Mobility Solutions**  
Of the future

**ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT**


# Railway Equipment Division Performance Q1FY24


**₹ 297.7 Crore**  
Segmental Revenue

 **71.8%**  
(Y-o-Y)

 **25.5%**  
(Q-o-Q)

**20.9%**  
EBIT margin

 **738 bps**  
(Y-o-Y)

 **697 bps**  
(Q-o-Q)

**~ ₹ 950 Crore**  
Of Order Book

(as of 30<sup>th</sup> June 2023)

**70:30**

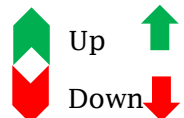
NPD : conventional Sales Ratio

**67:33**  
(In Q1FY23)

**69:31**  
(In Q4FY23)

**51.7%**

Return on Capital Employed  
(Annualized)



% rounded off to nearest single decimal

# Shareholding Pattern

Shareholding Trend					
Category	June'2022	Sept'2022	Dec'2022	Mar'2023	June'2023
Promoters	72.9	72.9	72.9	72.9	67.6
Institutions#	11.3	12.4	12.4	12.8	15.5
Public	14.0	13.0	13.0	12.7	14.9
Non Promoter Non Public	1.8	1.7	1.7	1.7	2.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Kubota corporation has become a Joint promoter from 11 April 2022.

# FPI/Financial Institutions/ Banks/Insurance Companies/QIB/AIF



rounded off to nearest single decimal

# Consolidated Q1FY24 at a Glance

Particulars	Unit	Q1FY24	Q1FY23	YoY (Change)	Q4FY23	QoQ (Change)
Revenue from Operations	₹ Cr.	2,355.2	2,032.1	● 15.9%	2,214.5	● 6.4%
Material Cost	%	69.8%	72.0%	● -214 bps	71.6%	● -177 bps
Manpower Cost	%	6.4%	6.9%	● -46 bps	7.2%	● -81 bps
EBIDTA	₹ Cr.	331.1	203.6	● 62.6%	233.2	● 42.0%
EBIDTA Margin	%	14.1%	10.0%	● 404 bps	10.5%	● 353 bps
PBT Before Exceptional Item	₹ Cr.	386.3	191.5	● 101.7%	277.6	● 39.2%
PAT	₹ Cr.	289.9	140.6	● 106.2%	216.5	● 33.9%
EPS	₹	26.76	13.01	● 105.7%	19.99	● 33.9%

● Positive   ● Neutral   ● Negative



% rounded off to nearest single decimal

# Narrations

- **EKL** - Escorts Kubota Limited
- **FY** - Fiscal Year represents the 12 months period from 1<sup>st</sup> April to 31<sup>st</sup> March.
- **Q1FY23** - Represents the 3 months period from 1<sup>st</sup> April 2022 to 30<sup>th</sup> June 2022.
- **Q4FY23** - Represents the 3 months period from 1<sup>st</sup> Jan 2023 to 31<sup>st</sup> March 2023
- **Q1FY24** - Represents the 3 months period from 1<sup>st</sup> April 2023 to 30<sup>th</sup> June 2023.
- **QoQ** - Represents Quarter on Quarter
- **YoY** - Represents Year on Year
- **LY** - Represents Last Year
- **CY** - Represents Current Year
- **AG** - Agri Machinery Products
- **CE** - Construction Equipment
- **RED** - Railway Equipment

- **BHL** - Backhoe Loader
- **IndAS** - Indian Accounting Standards
- **NPD** - New Product Developed
- **PnC** - Pick & Carry Crane
- **NSE** - National Stock Exchange of India
- **BSE** - Bombay Stock Exchange
- **DSE** - Delhi Stock Exchange
- **EBIDTA** - Earnings Before Interest, Depreciation & Taxes
- **EBIT** - Earnings Before Interest & Taxes
- **PBT** - Profit Before Tax
- **PAT** - Profit After Tax
- **ROE** - Return on Equity, Calculated as PAT divided by Average capital employed.
- **ROCE** - Return on Capital Employed, calculated as EBIT divided by Average capital Employed for the quarter.



# SAFE HARBOR

Certain statements in this document may 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 Kubota 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.

**Accounting standard:** Financials in presentation are as per IndAS.

All numbers are rounded off to nearest decimal

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**THANK  
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