

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
L-41, Connaught Circus,
Outer Circle,
New Delhi - 110 001
India
T +91 11 45002219
F +91 11 42787071

Independent auditor's certificate on the proposed accounting treatment included in the draft scheme of arrangement pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended from time to time ('the SEBI circular'), and sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

To,
The Board of Directors,
Escorts Kubota Limited (formerly Escorts Limited)
15/5, Mathura Road
Faridabad - 121003

1. This certificate is issued in accordance with the terms of our engagement letter dated 23 August 2022 with Escorts Kubota Limited ('the Company' or 'the Amalgamated Company').
2. We, the statutory auditors of the Company, have examined the proposed accounting treatment specified in Clause 14 of the draft scheme of arrangement between the Company, Escorts Kubota India Private Limited ('the Amalgamating Company No. 1') and Kubota Agricultural Machinery India Private Limited ('the Amalgamating Company No. 2') and their respective shareholders and creditors (hereinafter referred to as the 'Draft Scheme') as approved by the Board of Directors in their meeting held on 15 September 2022, in terms of the provisions of the SEBI circular, Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ('the Act') and sub rule (3) of rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 ('the rules') with reference to its compliance with the accounting standards prescribed under section 133 of the Act, read with relevant rules issued thereunder (the 'applicable accounting standards') and other generally accepted accounting principles in India. A certified true copy of the Draft Scheme, with the proposed accounting treatment specified in Clause 14 of the Draft Scheme, as attached herewith in Appendix I, has been initialed and stamped by us for identification purpose only.

Management's Responsibility

3. The responsibility for the preparation of the Draft Scheme, and its compliance with the relevant laws and regulations, including the applicable accounting standards and other generally accepted accounting principles in India, is that of the Board of directors of the companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Draft Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.
4. The Board of directors is also responsible for ensuring that the Company complies with the requirements of the Act and the rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the SEBI circular, and the applicable accounting standards, in relation to the Draft Scheme, and for providing all relevant information to the relevant National Company Law Tribunal(s), the SEBI, and the BSE Limited, and the National Stock Exchange of India Limited (hereinafter referred to as 'the stock exchanges').

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune



Walker Chandiook & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

Chartered Accountants



Walker Chandiook & Co LLP

Auditor's Responsibility

5. Pursuant to the requirements of the relevant laws and regulations, It is our responsibility to provide a reasonable assurance as to whether the proposed accounting treatment specified in Clause 14 of the Draft Scheme complies with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the SEBI circular, and the applicable accounting standards and other generally accepted accounting principles read with the General Circular No. 09/2019 dated 21 August 2019 issued by the Ministry of Corporate Affairs ('MCA General Circular').
6. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements, issued by the ICAI.

Opinion

8. Based on our examination as above and according to the information and explanations given to us, along with the representations provided by the management, in our opinion, the proposed accounting treatment specified in clause 14 of the Draft Scheme, attached herewith and stamped by us for identification only, is in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the SEBI circular, and the applicable accounting standards and other generally accepted accounting principles in India read with the MCA General Circular.

Restriction on distribution or use

9. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the requirements of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), the SEBI circular, Sections 230 to 232 and other applicable provisions of the Act read with the rules, for onward submission along with the Draft Scheme to the the SEBI, the stock exchanges, and the relevant National Company Law Tribunal(s). Our obligations in respect of this certificate are entirely separate from, and our responsibility and liability is in no way changed by, any other role we may have as statutory auditors of the Company or otherwise. Nothing in this certificate, nor anything said or done in the course of or in connection with the services that are the subject of this certificate, will extend any duty of care we may have in our capacity as statutory auditors of the Company.
10. This certificate is issued at the request of the Company's management for onward submission along with the Draft Scheme to the SEBI, the stock exchanges, and the relevant National Company Law Tribunal(s). Accordingly, this certificate may not be suitable for any other purpose, and should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013


Ashish Gupta
Partner
Membership No. 504662



UDIN: 22504662ASJOSH5049

Place: New Delhi
Date: 15 September 2022

Chartered Accountants



Appendix I to Independent auditor's certificate on the proposed accounting treatment included in the draft scheme of arrangement pursuant to SEBI circular no. CFD/DIL3/CIR/2017/21 dated 10 March 2017, as amended from time to time ('the SEBI circular'), and sections 230 to 232 and other applicable provisions of the Companies Act, 2013, and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016.

Extract of scheme of amalgamation amongst Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited and their respective shareholders and creditors under Sections 230 to 232 and other applicable sections of the Companies Act, 2013.

14. ACCOUNTING TREATMENT

- 14.1 Upon the Scheme becoming effective, the Amalgamated Company shall account for the amalgamation in its books of accounts, as per 'Pooling of Interest Method' and restate the financial statements from the date of common control, or from the beginning of preceding period presented in the financial statements, whichever is later, in accordance with accounting principles as laid down in Appendix-C to Ind AS-103 notified under Section 133 of the Act and under the Companies (Indian Accounting Standards) Rules, 2015, as may be amended from time to time, such that:
- (i) The Amalgamated Company, subject to the provisions of this Scheme, shall follow the method of accounting as prescribed for the 'Pooling of Interest Method' under the Indian Accounting Standards 103 – 'Business Combination' notified under Section 133 of the Act read with relevant rules issued thereunder and other applicable accounting standards prescribed under the Act.
 - (ii) The Amalgamated Company shall, upon the Scheme becoming effective, record the assets, liabilities and reserves of the Amalgamating Companies at their respective carrying values and in the same form as appearing in its books of Amalgamating Companies.
 - (iii) The balance of the earnings in the books of Amalgamating Companies as on the Appointed Date shall be aggregated with the corresponding balance of earnings of the Amalgamated Company. The identity of the reserves shall be preserved and shall appear in the financial statements of the Amalgamated Company in the same form in which they appeared in the financial statements of the Amalgamating Companies. As a result of preserving the identity, reserves which are available for distribution as dividend before the business combination would also be available for distribution as dividend after the business combination.
 - (iv) Face value of the New Equity Shares issued and allotted by Amalgamated Company to the shareholders of the Amalgamating Companies in accordance with this Scheme shall be recorded as equity share capital of the Amalgamated Company.
 - (v) All inter-company balances between the Amalgamating Companies and Amalgamated Company, if any, shall stand cancelled.

For **ESCORTS KUBOTA LIMITED**


BHARAT MADAN
President Finance
Group Chief Financial Officer &
Corporate Head



SIGNED FOR
IDENTIFICATION
PURPOSES

Escorts Kubota Limited
(Formerly Escorts Limited)
Corporate Centre

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

Tel.: +91-129-2250222 | E-mail: escortsgroup@escorts.co.in | Website: www.escortsgroup.com

Corporate Identification Number L74899HR1944PLC039088



(vi) Upon this Scheme becoming effective, all the inter-company investments between the Amalgamating Companies and Amalgamated Company will stand cancelled without any further application, act, instrument or deed.

(vii) The difference between the consideration discharged by the Amalgamated Company pursuant to 11.1 above and the carrying amount of net assets and reserves of Amalgamating Companies transferred and recorded by Amalgamated Company as aforesaid after taking into consideration the cancellation of inter-company balances and inter-company investments as per clause (v) and (vi) above shall be transferred to capital reserve and should be presented separately from other reserves of the Amalgamated Company.

In case of any difference in accounting policy between the Amalgamating Companies and the Amalgamated Company, the accounting policies followed by the Amalgamated Company will prevail and the difference till the Appointed Date shall be quantified and adjusted in the books of the Amalgamating Companies.

For **ESCORTS KUBOTA LIMITED**


BHARAT MADAN
President Finance
Group Chief Financial Officer &
Corporate Head



SIGNED FOR
IDENTIFICATION
PURPOSES



Deloitte Haskins & Sells LLP

Chartered Accountants
7th Floor, Building 10, Tower B
DLF Cyber City Complex
DLF City Phase II
Gurugram - 122 002
Haryana, India

Tel: +91 124 679 2000
Fax: +91 124 679 2012

The Board of Directors
Escorts Kubota India Private Limited
18/4, Mathura Road, Faridabad
Haryana-121003

Independent Auditor's Certificate certifying the accounting treatment contained in the Draft Scheme of Amalgamation

1. This certificate is issued in accordance with the terms of our engagement letter dated August 26, 2022.
2. We, Deloitte Haskins & Sells LLP, (Firm Registration No. 117366W/W-100018), Chartered Accountants, the Statutory Auditors of Escorts Kubota India Private Limited ("the Company or the Transferor Company or the Amalgamating Company 1"), have examined the proposed accounting treatment specified in Clause 14.2 with regard to amalgamation of the Company and Kubota Agricultural Machinery India Private Limited ("Amalgamating Company 2") with Escorts Kubota Limited ("Amalgamated Company"); as specified in the draft scheme of Amalgamation (hereinafter referred as 'The Scheme') between the Company and Kubota Agricultural Machinery India Private Limited with Escorts Kubota Limited and their respective shareholders and creditors in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 (the "Act") with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other accounting principles generally accepted in India.

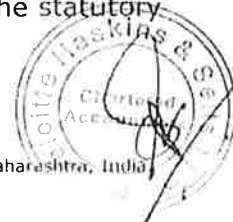
Management's responsibility

3. The Board of Directors of the Companies involved are responsible for the preparation of the Scheme and its compliance with the relevant laws and regulations, including the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, as applicable, read with the rules made there under and other accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Auditor's responsibility

4. Our responsibility is only to examine and report whether the accounting treatment in respect of Transferor Company, referred to in Clause 14.2 of the Scheme referred to above comply with the Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, as applicable read with the rules made there under, and other accounting principles generally accepted in India. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.

Regd. Office: One International Centre, Tower 3, 32nd Floor, Senapati Bapat Marg, Elphinstone Road (West), Mumbai - 400 013, Maharashtra, India
(LLP Identification No. AAB-8737)



CERTIFIED TRUE COPY

For ESCORTS KUBOTA INDIA PRIVATE LIMITED


Prosenjeet Roy
Company Secretary

Deloitte Haskins & Sells LLP

5. We carried out our examination of the aforesaid accounting treatment with respect to the Transferor Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.

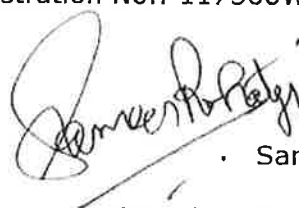
Opinion

7. Based on our examination of the Scheme and according to the information and explanations given to us, upon the Scheme becoming effective, the Transferor Company shall stand dissolved without being wound up and consequently, there is no accounting treatment prescribed under the Scheme in the books of account of the Transferor Company.
8. For ease of references, Clause 14.2 of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure 1 to this Certificate and is initialed by us only for the purposes of identification.

Restriction on use

9. This certificate is issued at the request of the Board of Directors of the Company pursuant to the requirements of section 230 to section 232 of the Companies Act, 2013 for onward submission by the Company to the National Company Law Tribunal and other regulatory authorities in connection with the Scheme. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.: 117366W/W-100018)



Sameer Rohatgi
Partner
(Membership No. 094039)
(UDIN: 22094039ASGZAB8161)

Place: Gurugram
Date: September 15, 2022



CERTIFIED TRUE COPY

For ESCORTS KUBOTA INDIA PRIVATE LIMITED



Prosenjeet Roy
Company Secretary



Escorts Kubota India Private Limited

18/4, Mathura Road, Faridabad - 121007 Tel.:0129-6911200

CIN:U34300HR2019FTC078790

Annexure 1

Relevant extract of the Draft Scheme of Amalgamation amongst Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited ("Amalgamating Companies") with Escorts Kubota Limited in terms of the provisions of Sections 230 to 232 of Companies Act, 2013

PART B

14 ACCOUNTING TREATMENT

- 14.2 Upon the Scheme becoming effective, the Amalgamating Companies shall stand dissolved without being wound up and hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Companies.



Place: Faridabad
Date: September 15, 2022

For and on behalf of
ESCORTS KUBOTA INDIA PRIVATE LIMITED

Kamal Sachdeva
Chief Financial Officer



CERTIFIED TRUE COPY

For ESCORTS KUBOTA INDIA PRIVATE LIMITED

Prosenjeet Roy
Company Secretary

B S R & Co. LLP

Chartered Accountants

KRM Tower, 1st & 2nd Floors,
No.1, Harrington Road, Chetpet,
Chennai – 600 031, India

Telephone: + 91 44 4608 3100
Fax: + 91 44 4608 3199

Private and confidential

The Board of Directors
Kubota Agricultural Machinery India Private Limited
15/5, Mathura Road,
Faridabad – 121 003
Haryana

Statutory Auditor's certificate in relation to proposed accounting treatment, in the books of Kubota Agricultural Machinery India Private Limited as specified in the Scheme of Amalgamation pursuant to provisions of Section 230-232 of the Companies Act, 2013 ("the Act")

1. This Certificate is issued in accordance with the terms of our engagement letter dated August 26, 2022.
2. We have been requested by the management of **Kubota Agricultural Machinery India Private Limited** (the "Transferor Company") to issue a certificate in relation to the proposed accounting treatment as specified in paragraph 14.2 of Part B of the proposed Scheme of Amalgamation and as reproduced under Annexure to this certificate among Transferor Company and Escorts Kubota Limited (Formerly known as Escorts Limited) (the "Transferee Company") and their respective shareholders and creditors (the "Proposed Scheme"), as per provisions of Sections 230-232 of the Companies Act, 2013 ("the Act"), with reference to its compliance with the applicable Indian Accounting Standards ("Ind AS") specified in Section 133 of the Act, read with the rules issued thereunder and other Generally Accepted Accounting Principles in India.

The Proposed Scheme is approved by Board of Directors of Transferor Company and the Transferee company, respectively, on September 15, 2022, and is subject to approval of the respective Shareholders and Creditors of the Transferee company and Transferor company, National Company Law Tribunal and Statutory and Regulatory Authorities, as applicable.

Management's responsibility

3. The preparation of the Proposed Scheme and compliance with the relevant laws and regulations, including the applicable Ind AS specified in Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India as aforesaid, is the responsibility of the respective Board of Directors and Management of the Companies involved in the Proposed Scheme, including the preparation and maintenance of all accounting and other relevant supporting records and documents.
4. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Proposed Scheme and applying an appropriate basis of preparation; compliance with the Act, relevant laws and regulations, including the applicable Ind AS read with the rules issued thereunder and other Generally Accepted Accounting Principles in India as aforesaid, to the extent applicable; and making estimates that are reasonable in the circumstances.
5. The management is also responsible for ensuring that the Transferor Company provides all relevant information with respect to the Proposed Scheme to the National Company Law Tribunal ("NCLT").

Auditor's responsibility

6. Pursuant to the requirements of provisions of Section 232 of the Act, our responsibility is provide a reasonable assurance whether the accounting treatment specified in paragraph 14.2 of Part B of the Proposed Scheme and as reproduced under Annexure to this certificate is in conformity with the applicable Ind AS prescribed under Section 133 of the Act read with the rules issued thereunder and other Generally Accepted Accounting Principles in India. Further, our examination did not extend to any other parts and aspects of legal or proprietary nature in the aforesaid Proposed Scheme.
7. We conducted our examination of the said accounting treatment specified in paragraph 14.2 of Part B of the Proposed Scheme and reproduced under Annexure to this certificate in accordance with the "Guidance Note on Reports or Certificates for Special Purposes" ("the Guidance Note") issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagement.



B S R & Co. LLP

Statutory Auditor's certificate in relation to proposed accounting treatment, in the books of Kubota Agricultural Machinery India Private Limited as specified in the Scheme of Amalgamation pursuant to provisions of Section 230-232 of the Companies Act, 2013 ("the Act") (Continued)

Page 2 of 2

Opinion

9. Based on our examination and according to information and explanations given to us and as reproduced in Annexure to this certificate, initialled and stamped by us for identification only, we report that no accounting treatment has been specified for the Transferor Company in the Proposed Scheme. Further, pursuant to Proposed Scheme, the Transferor Company shall stand dissolved without being wound up and will be merged with the Transferee Company.

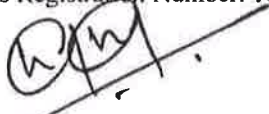
Restriction on use

10. This certificate is issued at the request of the management of the Transferor Company, for submission to the NCLT and other statutory/regulatory authorities in relation to the Proposed Scheme pursuant to the provisions of Sections 230-232 of the Act and relevant Rules, thereunder. Our certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

for **B S R & Co. LLP**

Chartered Accountants

Firm's Registration Number: 101248W/W-100022



R Kalyana Sundara Rajan

Partner

Membership No: 221822

ICAI UDIN: 22221822ASIJRV2251

Place: Chennai

Date: September 15, 2022





Kubota Agricultural Machinery India Pvt. Ltd.

Block No. 94, Tower - 1, 8th Floor,
TVH Bellclaa Towers, MRC Nagar,
Chennai - 600028. T.N., India
Tel : +91-44-6104 1500
Fax : +91-44-6104 1600
Website: www.kubota.co.in

Annexure to the Statutory Auditor's certificate in relation to proposed accounting treatment, in the books of Kubota Agricultural Machinery India Private Limited as specified in the Scheme of Amalgamation pursuant to provisions of Section 230-232 of the Companies Act, 2013 ("the Act")

1. A Composite Scheme of Amalgamation ('the Proposed scheme') has been entered between Escorts Kubota Limited (Formerly known as Escorts Limited) ("Transferee Company") and Kubota Agricultural Machinery India Private Limited ("Transferor Company"), and their respective shareholders and creditors in terms of the provisions of section 230 to 232 along with other applicable provisions of the Companies Act, 2013 ('the Act') and rules framed thereunder.
2. The proposed accounting treatment in the books of the Transferor Company is as follows:

Extract of clause 14.2 of Part B of the Proposed scheme:

"Upon the Scheme becoming effective, the Amalgamating Companies shall stand dissolved without being wound up and hence there is no accounting treatment prescribed under this Scheme in the books of the Amalgamating Companies"

for and behalf of Board of Directors of
Kubota Agricultural Machinery India Private Limited
CIN: U29210HR2008FTC093295

Hisakazu Kitanobo
Managing Director
DIN: 09256141
Place: Chennai
Date: September 15, 2022

Signed for identification purposes only

BSR & Co. LLP

Place: Chennai
Date: September 15, 2022

