

Ratings Monitor

One Report – to monitor stocks and identify triggers to re-evaluate ratings

Escorts Kubota (ESCORTS)

Current Market Price	Fair Value (FV)
Rs.3203	Rs.3375

Date: 10 March 2026

Previous Rating: - **SELL** **Current Rating:** **ADD** **Change:** - **UPGRADE**

Ratings Rationale

- Tractor demand has become less dependent on monsoon due to structural buffers-irrigation, MSP support, income diversification, non-agri usage & improved financing.
- Recent launches to address product gaps & should drive gradual market share gains.
- The construction equipment segment is expected to recover from CY26E.
- We expect Escort Kubota's tractor volumes to increase at a CAGR of 8% over FY25-28E.
- Upgrade to ADD (SELL earlier) with a FV of Rs3,375 based on 22x FY28E EPS.

(CAGR - Compound Annual Growth Rate, EBITDA - Earnings Before Interest, Taxes, Depreciation, & Amortization, EPS- Earnings Per Share)

Valuation

Fair Value of Rs3,375.

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY	– We expect the stock to deliver more than 15% returns over the next 12 months
ADD	– We expect the stock to deliver 5% - 15% returns over the next 12 months
REDUCE	– We expect the stock to deliver -5% - +5% returns over the next 12 months
SELL	– We expect the stock to deliver < -5% returns over the next 12 months
NR	– Not Rated. Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.
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NA	– Not Available or Not Applicable. The information is not available for display or is not applicable
NM	– Not Meaningful. The information is not meaningful and is therefore excluded.
NOTE	– Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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