Date: 16th July 2026

National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C-1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India **NSE Scrip Code – SKFINDIA**	**BSE Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001, Maharashtra, India **BSE Scrip Code -500472**

Subject: **Intimation and Submission of Annual Report for the Financial Year 2025-26 along with Notice of 65th Annual General Meeting.**

Dear Sir/Ma'am,

This is in continuation to our intimation dated 13th May 2026 and 26th June 2026, we would like to inform you that the 65th Annual General Meeting ("AGM") of the members of the Company is scheduled to be held on **Friday, 14th August 2026, at 1:00 P.M. (IST)** through Video Conferencing / Other Audio Visual Means in compliance with the applicable provisions of the Companies Act, 2013 read with Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI LODR") read with General Circulars issued by the Ministry of Corporate Affairs ('MCA') and SEBI from time to time.

Pursuant to Regulation 30 & 34(1) of SEBI LODR, we are submitting herewith the **Annual Report of the Company along with the Notice of AGM for the Financial Year 2025-26** which are being sent through electronic mode to the members whose email addresses are registered with the Company's Registrar and Share Transfer Agent / Depositories as on Record date i.e. Friday, 03rd July 2026 as informed by the Company in its letter dated 13th May, 2026.

A copy of the Annual Report alongwith the Notice of 65th Annual General Meeting of the Company are also available on the website of the Company at below-mentioned link:

https://cdn.skfmediahub.skf.com/api/public/09898be1b484d04d/pdf_preview_medium/Annual_Report_2025-26_pdf_preview_medium.pdf

Further, in accordance with Regulation 36 of SEBI LODR, dispatch of letters providing web link of Annual Report for the financial year 2025-26, as available on the website of the Company, to the members who have not registered their email addresses with the Company's Registrar and Share Transfer Agent / Depositories as on Friday, 3rd July 2026, has been initiated.

Pursuant to Regulation 42 of the SEBI LODR, read with applicable provisions, if any the Company has fixed the **Record Date** as **Friday, 03rd July 2026, for determining eligibility/entitlement of members to receive the final dividend for the Financial Year 2025-26**, **if declared and approved by the shareholders at the ensuing 65th Annual General Meeting of the Company.**

Further, pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the members of the Company, holding shares as on **Friday, 07th August 2026 i.e.** cut-off date, either in physical form or in dematerialised form are eligible/entitled to vote on the resolutions proposed in the Notice of AGM. The remote e-voting commences on **Tuesday, 11th August 2026 (9:00 a.m. IST)** and ends on **Thursday, 13th August 2026 (5:00 p.m. IST).**

The details such as (i) registering/updating email address (ii) casting vote through e-voting facility and (iii) attending the AGM through VC/ OAVM are set out in the Notice of AGM.

Enclosed herewith please find Annual Report alongwith the Notice of 65th Annual General Meeting of the Company for FY 2025-26 as **Annexure-1**.

We request you to take the above information on record and disseminate the same on your respective websites.

Thanking you,

Yours faithfully,
For SKF India Limited

Mayuri Ishan Kulkarni

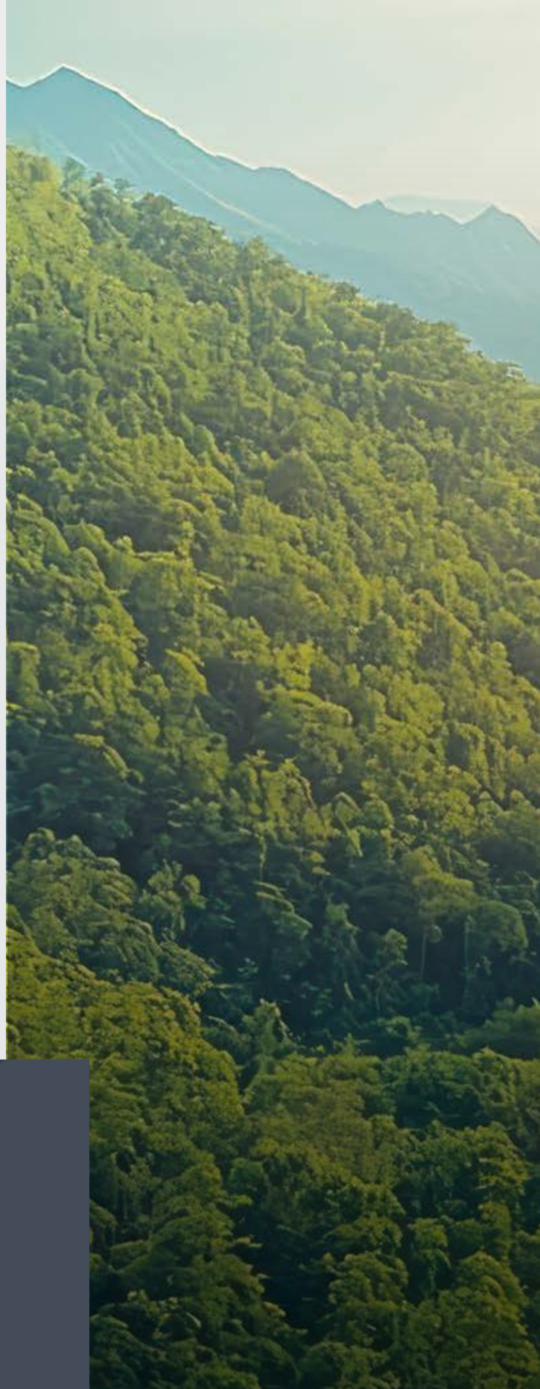
Digitally signed by Mayuri Ishan Kulkarni
DN: cn=Mayuri Ishan Kulkarni, c=IN, o=Personal
Date: 2026.07.16 16:46:15 +05'30'

Mayuri Kulkarni
Company Secretary & Compliance Officer

WE MOVE PEOPLE FURTHER

Annual Report 2025-26

NAVIGATING THE REPORT



To access the Investor Relations page, please visit:
https://www.skf.com/in/investors/skf-india-ltd

INVESTOR INFORMATION

CIN	L29130PN1961PLC213113
ISIN No.	INE640A01023
BSE Code	500472
NSE Code	SKFINDIA
Rate of Proposed Dividend	400%
Proposed Dividend Amount	INR 40/- per Equity Share
AGM Date	14th August 2026
AGM Mode	Video Conferencing (VC), Other Audio-Visual Means (OAVM)

Forward-looking Statements
This report contains statements about expected future events and financials of SKF India Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions, and other forward-looking statements may not prove to be accurate and actual future results and events may differ materially from those expressed in the forward-looking statements. Readers are cautioned not to place undue reliance on forward-looking statements. The Company undertakes no obligation to update these forward-looking statements that reflect events or circumstances after the publication of this document.

WE MOVE PEOPLE FURTHER

A Swedish genius named Sven Wingquist looked at a failing machine and saw not a limitation but an invitation. The self-aligning ball bearing he invented that year solved a problem that engineers had accepted as permanent. That refusal to accept, that instinct to find the better answer hiding inside every unsolved problem, became the founding spirit of SKF, and it has never left.

Today, that same spirit runs through the powertrain of a Ferrari chasing the absolute limit on a racing circuit, through the wheel-end of a family car navigating an ordinary morning, through every precisely engineered component SKF has ever put into the world. From drawing board to service shop, across industries and geographies, and for a century of relentless engineering progress, SKF's purpose has remained unchanged: to move people further, more intelligently, with less friction, less waste and less compromise.

At SKF India, we take every challenge head-on with a question. How can movement become smoother, lighter, more efficient and more reliable? Leveraging our deep expertise in bearings, sealing solutions, lubrication systems and mechatronics, we work together with our partners until what we create is built to last and engineered to perform. We elevate designs from within, one component at a time, because we understand that the smallest detail, held to the highest standard, is what separates a good journey from a great one.

The vehicles of tomorrow will demand more than any generation of engineering has yet delivered. And as mobility evolves, SKF India Limited remains driven by the same belief: progress begins by reducing friction and expanding possibilities.

FY 2025-26 IN NUMBERS

HIGHLIGHTING WHAT THE YEAR DELIVERED

Standalone Financials

INR 21,295 MILLION
Revenue from Operations

INR 20,304 MILLION
Net Sales

INR 1,172 MILLION
Profit after Tax from Continuing Operations

15%
EBITDA Margin

6%
PAT Margin from Continuing Operations

20%
ROCE

Operational

74.0%
Overall Equipment Effectiveness (OEE)

7.4%
On-Time Delivery (OTD)

9.68 SECONDS
Manufacturing Cycle Time

63.3%
Capacity Utilisation

Environment

240 $MTCO_2E$
Scope 1 Emissions

ZERO
Scope 2 Emissions

100%
Renewable Energy Share

2 OUT OF 3
Water Neutrality Status of Factories

People

14.43 HOURS
Average Training Hours per Employee

7.8
Employee Engagement Score

19%
Women Employees

46
Training Programmes Conducted

Community

93,339
Number of CSR Beneficiaries

5
CSR Programmes Conducted

INR **160.8** MILLION
CSR Spend

THE DEMERGER STORY

THE POWER OF TWO: A STRATEGIC EVOLUTION

Effective 1st October, 2025, SKF India Limited entered a new phase of value creation by demerging its ‘Industrial’ business. This shift established two independent, purpose-built entities: SKF India Limited and SKF India (Industrial) Limited.

Building on a 102-year legacy in India, this move sharpens strategic focus, enhances operational agility, and positions each business to lead within its specific market landscape.

Alignment with India’s Growth Engines

The nation’s growth trajectory is being shaped by two powerful, yet fundamentally different engines: Mobility Transformation and Industrial Expansion. Each is characterised by distinct demand drivers, capital cycles, and innovation requirements. The demerger enables SKF to align with these divergent dynamics by:

1. Tailoring sector-specific strategies to meet unique market requirements.
2. Strengthening capital discipline through business-aligned investment frameworks.
3. Improving responsiveness via agile, application-focussed operating models.
4. Enhancing transparency with clear performance benchmarks.

Autonomous Models. Specialised Execution

Automotive

Positioned at the centre of India’s mobility transformation, the Automotive business focusses on electrification, premiumisation, hybrid technologies, and last-mile mobility. It operates in a space defined by rapid innovation cycles, platform shifts, evolving regulations, and changing consumer expectations.

Industrial

Anchored in infrastructure and manufacturing, the Industrial business serves sectors such as railways, renewable energy (wind), cement, mining, and heavy engineering. It is driven by lifecycle-led demand, strong aftermarket intensity, and a relentless focus on reliability and long-term asset performance.

Capital Allocation and Shareholder Alignment

To support these independent growth pathways, both entities have outlined focused investment plans through 2030, ensuring capital efficiency and strengthened return ratios:

Industrial Business

Planned investments of INR 8,000 Million to INR 9,500 Million, including the development of a new manufacturing facility in Pune by 2028 and expanded distribution capabilities.

Automotive Business

Planned investments of INR 4,100 Million to INR 5,100 Million by 2030 across our Haridwar, Pune and Bengaluru facilities to strengthen manufacturing capacity in line with growing demand.

Shareholder Continuity

To ensure continuity of ownership while enabling participation in both growth journeys, shareholders received one share of SKF India (Industrial) Limited for every share held in SKF India Limited.

Independent Operating Models. Shared Technology Strength.

The demerger established two autonomous organisations with dedicated leadership, governance structures, and strategic priorities. While operating independently, both entities continue to leverage SKF's global technology platforms, engineering expertise, and established market presence in India.

Governance

Independent boards and management teams enable sharper accountability and faster decision-making.

Capital Allocation

Investment strategies are aligned with sector-specific growth cycles and return profiles.

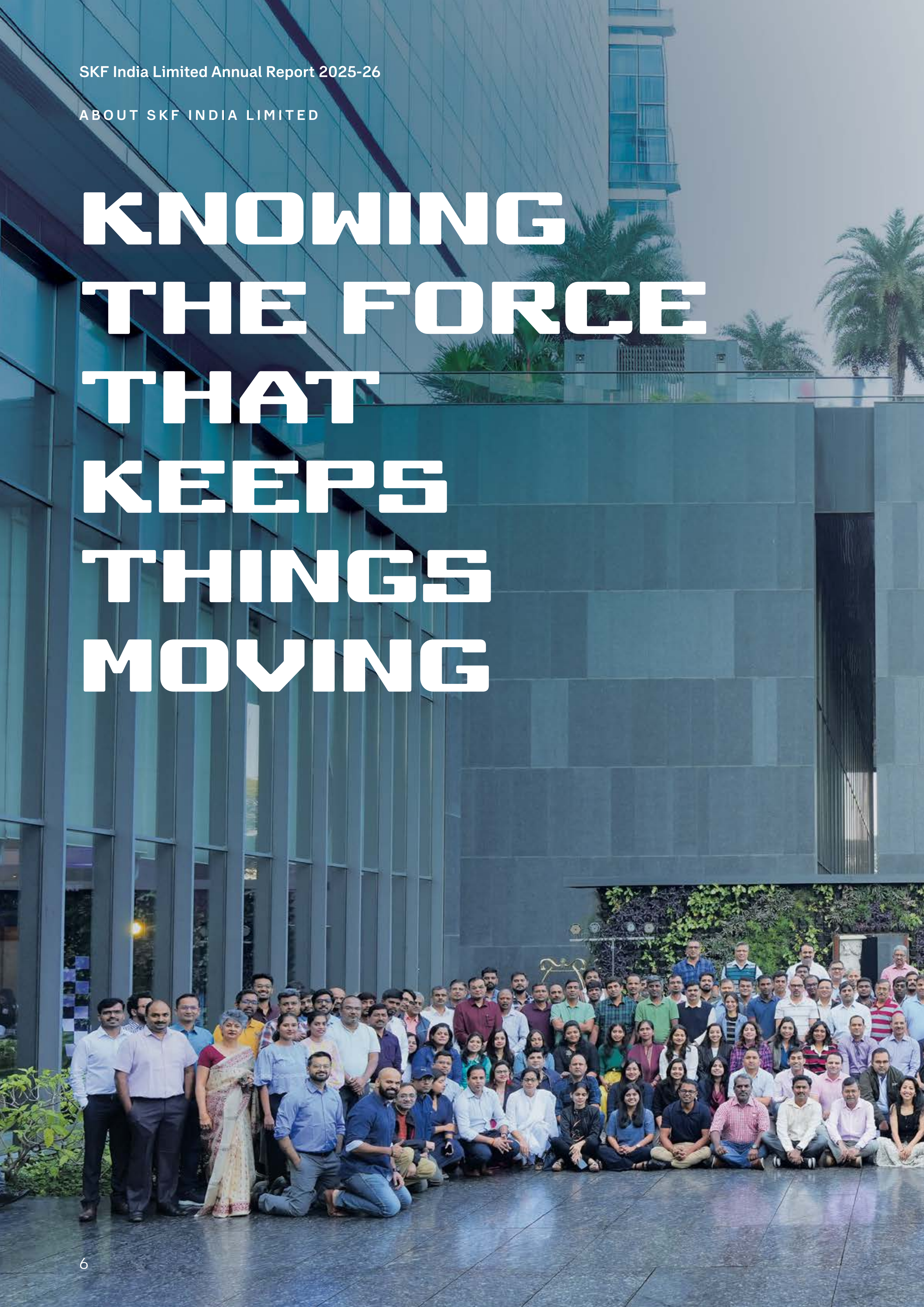
Innovation

Each business can accelerate innovation in line with its market dynamics, balancing long-cycle industrial solutions with fast-evolving mobility technologies.

The Way Forward

Together, SKF India Limited and SKF India (Industrial) Limited represent the next chapter of SKF's journey in India. With sharper strategies and focused investments, both entities are positioned to drive sustained value creation and play a defining role in the country's industrial and mobility transformation.

KNOWING THE FORCE THAT KEEPS THINGS MOVING



SKF India Limited is the automotive arm of the globally renowned SKF Group, delivering advanced, technology-led solutions that support performance, efficiency, and sustainability across the automotive ecosystem. With over a century of operations in India, we have progressed from a pioneer in ball bearing manufacturing to working alongside customers as mobility systems evolve and expectations continue to rise.

A Presence Built Over Time

What began in 1923 has steadily expanded into a wide, connected presence across the country. Today, this footprint reflects not just scale but also the relationships and reach that support customers every day.

1923
The Year We Began Our Operations in India

3
Manufacturing Facilities

3
Offices

330
Partners across the Distribution Network

933
Employees

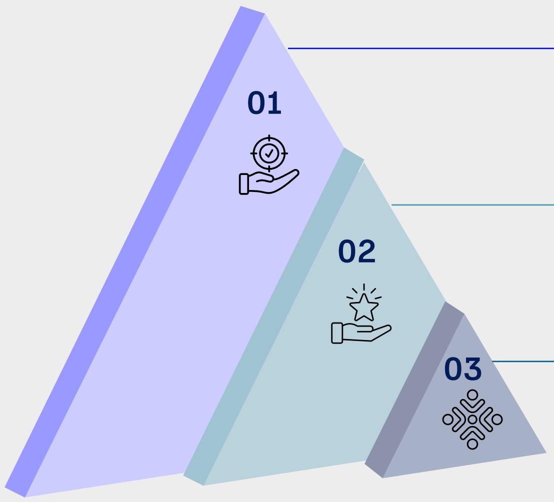
Evolving with the Way Mobility Moves

From our beginnings in bearing manufacturing to today's role in advancing mobility solutions, we have evolved alongside the automotive industry. We work closely with customers to enhance performance, reliability, and innovation across the vehicle lifecycle. As mobility continues to transform, we remain committed to helping customers move forward with confidence and long-term competitiveness.

LIVING THE BELIEFS THAT KEEP US MOVING

At SKF India, our Purpose, Values, and Culture are closely connected. Together, they define why we exist, what we believe, and how we act as an organisation.

How do Purpose, Strategy, and Culture Connect?



Our Purpose

defines our direction.

Our Values

define our beliefs.

Our Culture

defines our behaviour.

Purpose
Why we exist

We move people further.

We enable progress in mobility by improving performance, safety, and sustainability across every application we serve.

Our solutions support the evolving needs of the automotive industry, from conventional platforms to electrified and advanced mobility systems. Through this, we help customers deliver better outcomes while contributing to a more efficient and responsible future.

Values
What we believe

Our values guide how we think, decide, and act:

Collaboration
We work together across teams and with customers to deliver shared success

Curiosity
We stay open, learn continuously, and explore new possibilities

Courage
We take ownership and challenge what can be improved

Care
We act responsibly for people, customers, and society

Culture
How we behave

Our culture is the expression of our purpose and values in action.

It reflects how we work together, how we lead, and how we deliver results every day. At SKF Automotive, culture goes beyond defined principles. It is embedded in behaviours, decision-making, and accountability across the full value chain.

WE

- **We take ownership** and deliver with accountability
- **We collaborate across boundaries** to solve challenges faster
- **We learn and adapt** as technologies and markets evolve
- **We stay close to customers**, ensuring relevance in every solution
- **We act responsibly,** integrating safety and sustainability into our work

This approach strengthens execution, builds trust, and supports long-term value creation.

PRODUCT RANGE

HELPING CUSTOMERS BUILD EFFICIENT VEHICLES

At SKF India, we bring together advanced bearing solutions that work seamlessly across the automotive ecosystem. By enabling greater efficiency, reducing friction and emissions, and extending equipment life, we support both manufacturers and aftermarket customers in driving reliable performance.

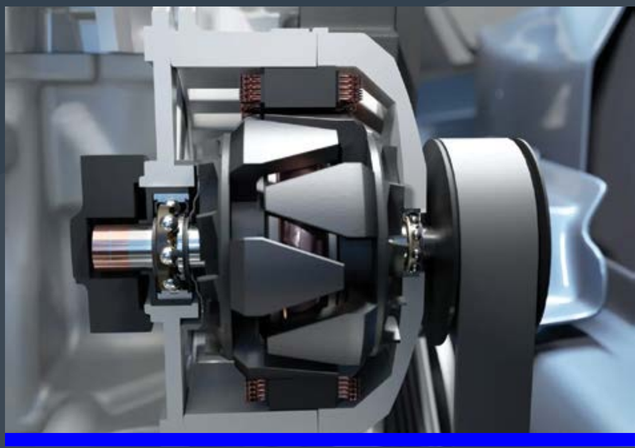
Serving Mobility across Segments

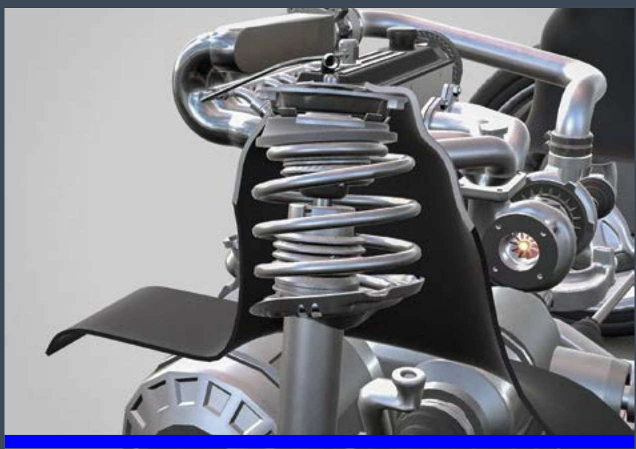
SKF India supports customers across passenger vehicles, commercial vehicles, two- and three-wheelers, and the aftermarket through solutions designed for varied operating conditions, performance demands, and lifecycle requirements.

PASSENGER VEHICLE

POWERTRAIN SOLUTIONS

- Precision bearings to reduce friction and improve efficiency.
- Electric vehicle high-speed solution, ceramic bearing and carbon brush and sensor bearings.





DRIVE CONTROL SOLUTIONS

- Expertise spanning steering and suspension systems to support evolving mobility needs.
- Proven capabilities in MacPherson strut bearings and a strong aftermarket portfolio supporting the full vehicle lifecycle.

WHEEL-END SOLUTIONS

- Our low-friction, lightweight solutions support efficient wheel bearing integration.
- Maintenance-free lube for Generation 1 to Generation 3 solutions.

COMMERCIAL VEHICLE

Powertrain Solutions

- Precision bearings to reduce friction and improve efficiency.
- Electric vehicle high-speed solution, ceramic bearings and carbon brush and sensor bearings.

Drive Control Solutions

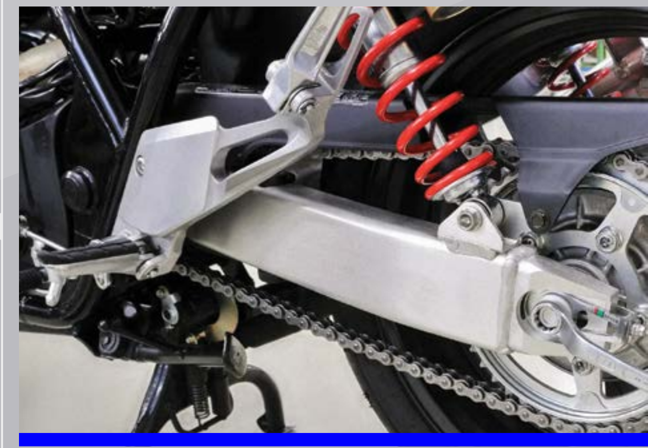
- Extensive expertise in developing customised bearing and sealing solutions for kingpin applications in trucks and buses.
- Maintenance-free designs that minimise wear, reduce servicing needs and lower the total cost of ownership.
- Solutions engineered to eliminate downtime associated with frequent re-greasing.
- Steering solutions support electrification, autonomous driving and enhanced vehicle safety.

Wheel-End Solutions

- Designed to maximise vehicle uptime by ensuring reliable wheel end performance.
- Offer solutions focused on preventing wheel-related failures that can disrupt operations.
- Help detect early warning signs such as tyre wear and overheating.

TWO AND THREE-WHEELERS

In the two and three-wheeler segment, efficiency, durability and riding comfort matter deeply to both manufacturers and the people who ride every day. At SKF India, we support manufacturers with advanced bearings that reduce friction, lower weight, improve fuel efficiency and enhance overall ride performance. Through both customised engineering partnerships and a strong portfolio of proven components, we enable reliable, longer-lasting and smoother mobility solutions.



AFTERMARKET SOLUTIONS

In the aftermarket, dependable support matters as much as the quality of the product itself. SKF India goes beyond components, offering technical guidance, training, diagnostic tools and efficient logistics backed by a strong global network. Our aftermarket portfolio spans high-quality bearings, along with repair kits designed to support reliable vehicle performance across passenger vehicles, commercial vehicles and two- and three-wheelers. Supported by an extensive distributor network and a broad range of spare parts, our solutions help improve reliability, extend service life, reduce downtime and keep vehicles and equipment running smoothly.

SKF India's Positioning

- Operates as a pure-play automotive company with strong capabilities in components supporting vehicle electrification and advanced wheel-end solutions.
- Brings well-established expertise in application-driven powertrain technologies across evolving mobility platforms.
- Maintains a robust aftermarket presence supported by an extensive distribution network and customer-focused service capabilities.

SKF India's Market Drivers

- Accelerating adoption of vehicle electrification and alternative propulsion platforms.
- Growing domestic automotive production across passenger, commercial and two-wheeler segments.
- Driving demand for higher efficiency, lightweight and low-friction components through stricter emission norms.
- Expanding the vehicle parc, contributing to a strong aftermarket replacement demand.

CONVERTING ENGINEERING DEPTH INTO OUTCOMES THAT LAST

The Resources We Rely on

Financial Resources

- Net Worth: **INR 1,329.4 Crores**
- Capital Expenditure: **INR 229.2 Crores**

Manufacturing Competence

- Manufacturing Units: **3**
- Global SKF quality systems and testing infrastructure
- Extensive OEM supply chain and aftermarket distribution network

Intellectual Capabilities

- Simulation, testing and in-depth lab analysis
- Digital tool development for speed to market and to achieve customer delight

Talent Pool

- Total Employees: **933**
- Total Training Hours: **6,120**

Environmental Responsibility

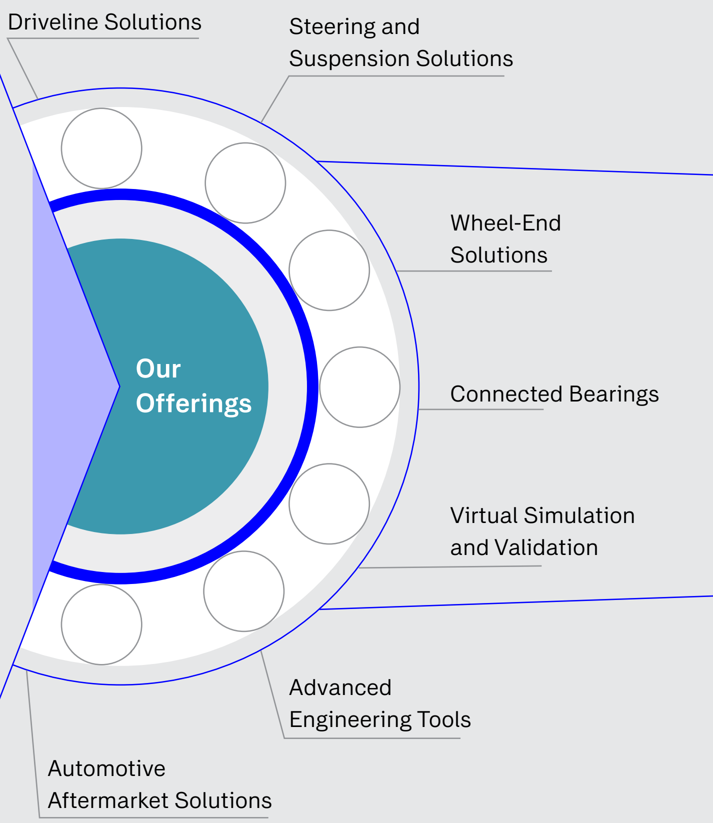
- Total Renewable Energy Consumed: **74 GWh**
- Water Withdrawal: **167,478 kL**
- Waste Recycled: **60%**

Social Connect

- CSR Spend: **INR 160.8 Million**
- Number of Suppliers: **170**

Value Creation Process

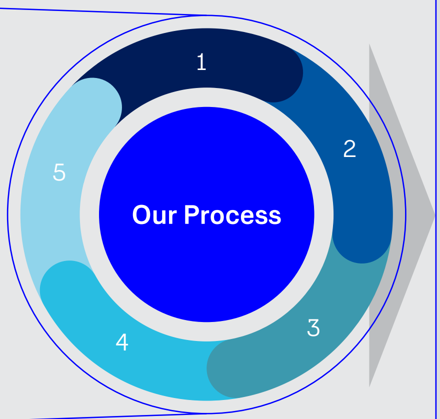
Our Automotive Ecosystem and Process



1 OEM co-engineering and application development

2 Precision manufacturing and quality assurance

3 Integrated supply chain and distribution



4 Aftermarket service, diagnostics and technical training

5 Continuous innovation aligned to future mobility

Outputs

Financial and Business Performance

- Revenue from Operations: **INR 2,129.5 Crores**
- EBITDA: **INR 325.3 Crores**
- Profit After Tax: **INR 117.2 Crores**

Operational Excellence and Digitalisation

- Capacity Utilisation: **63.3%**
- Automation across All Production Lines
- Adoption of Digital Tools: **5%**

Aftermarket and Customer Support

- Number of SKUs for Automotive Aftermarket: **>1,900**
- Distributor Network: **>330**
- Technical Training Programmes for Channel Partners: **>20** and a pan-India Campaign to Train Mechanics is Ongoing

Skilled Workforce Impact

- Reduction in Accident Rate (No. of Accidents per Man-Hours Worked): **87%**
- Reduction in Severity Rate (No. of Lost Days Per Accident): **69%**

Sustainability and ESG Impact

- 100% Renewable Energy Sourcing For All Three Factories
- 2 out of 3 Factories are 3rd Party Certified as Water Positive
- Lower Friction Solutions Contributing to Energy Savings in Vehicles
- CSR Beneficiaries: **93,339**

Outcomes

Customer Impact

- Improved vehicle efficiency, durability and performance
- Reduced maintenance needs and lower total cost of ownership
- Greater reliability and uptime across vehicle lifecycle

Business Impact

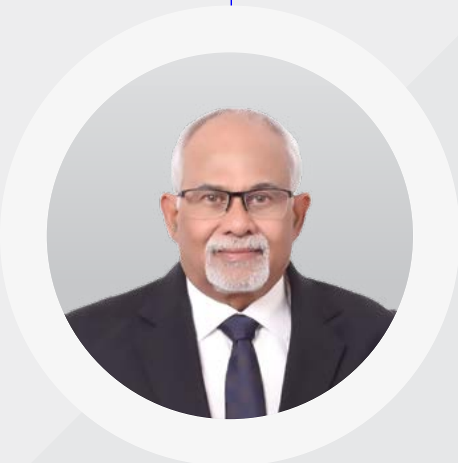
- Stronger positioning as a pure-play automotive technology partner
- Deeper OEM engagement and aftermarket presence
- Sustainable revenue growth aligned with mobility transformation

Societal and Environmental Impact

- Support for cleaner, energy-efficient mobility solutions
- Lower lifecycle emissions through low-friction technologies
- Safer, more reliable transportation systems
- Responsible manufacturing aligned with sustainability priorities

BOARD OF DIRECTORS

STEERING THE VISION THAT MOVES US FORWARD



Gopal Subramanyam

Chairperson and Non-Executive, Independent Director

S R A C N

Gopal Subramanyam has many decades of experience in the manufacturing sector in the roles of SBU Head, CEO and Board Member, in business ranging from high-precision components to heavy machinery.

He worked for Larsen & Toubro (L&T) group of companies for more than three decades. At L&T, he was the CEO of their Joint Venture Companies, namely, L&T-Komatsu Ltd. and L&T-Howden Pvt. Ltd.

He assists the CII Institute of Quality in its various Business Excellence initiatives. He is a jury member CII-EXIM Business Excellence Award (based on the EFQM model).

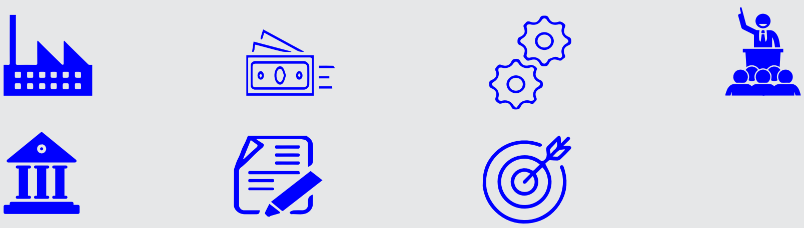
His past and current engagements include shepherding the “Skill India” movement through his association with NSDC, L&T Skill Development Academy, and Nettur Technical Training Foundation (NTTF).

Apart from SKF India Limited, he is currently Board member of SKF India (Industrial) Limited and Titan Engineering & Automation Ltd., a Tata enterprise.

QUALIFICATION

Gopal holds a Mechanical Engineering degree from the University of Madras.

SKILLS AND COMPETENCE



AGE	70 Years
DIRECTOR SINCE	16^{th} May 2019 (re-appointed w.e.f. 16^{th} May 2024)
TENURE ON BOARD	6.10 Years (as on 31^{st} March, 2026)
DIN NO.	06684319

Committee

Ⓐ Audit Ⓒ Corporate Social Responsibility Ⓢ Stakeholders’ Relationship Ⓡ Risk Management

Anu Wakhlu

Non-Executive Independent Director

A N S C R

Anu Wakhlu is the Executive Director and Chairperson of Pragati Leadership Institute Private Limited., one of India's leading companies in the space of Leadership Transformation. She is also the Executive Director of Pragati Foundation, an NGO working in sustainable employment of women and youth. As an MCC certified Coach, Anu's forte is in executive and C-suite coaching. She serves as an HR mentor to several organisations.

Anu has over 32 years of experience in human resources and leadership development as a consultant and has worked with multiple organisations across engineering, automobile, chemicals, IT, BFSI, and services sectors. She is deeply involved in mentoring and coaching women leaders across sectors and volunteers with several non-profits across the country to develop women leaders.

Apart from SKF India, she is on the Board of SKF India (Industrial) Limited, Sudarshan Chemicals Industries Limited and Sudarshan Colorants India Limited

QUALIFICATION

Anu holds a Diploma in Strategic Management, is a Gold Medallist in MSc, and holds an ICC Coach Accreditation (MCC).

SKILLS AND COMPETENCE

AGE	68 Years
DIRECTOR SINCE	16^{th} May 2019 (re-appointed w.e.f. 16^{th} May 2024)
TENURE ON BOARD	6.10 Years (as on 31^{st} March 2026)
DIN NO.	00122052

Ⓝ Nomination and Remuneration ● Chairperson ● Member

Shailesh Sharma

Managing Director -
(*w.e.f. 1st October 2025)

C S R

Shailesh Sharma is the Managing Director of SKF India Limited, with a clear focus on operational excellence, digital enablement, and optimisation of manufacturing footprints to support sustainable growth. He brings over 34 years of experience in precision engineering industries, with deep expertise across manufacturing operations, industrial engineering, product development, and large-scale project execution.

He has held multiple leadership roles within SKF, leading complex manufacturing environments across India and driving operational excellence and business transformation initiatives. He has been instrumental in institutionalising the SKF Production System, strengthening operational discipline, and fostering a people-centric performance culture, while advancing digital enablement and optimising manufacturing capabilities.

Prior to his current role, he served as Director of Operations and Whole-time Director on the Board of SKF India Limited, with responsibility for major manufacturing plants across India.

QUALIFICATION

Mr. Shailesh Sharma holds a Mechanical Engineering degree from Government Engineering College, Jabalpur, and an MBA from Symbiosis International University, Pune.

SKILLS AND COMPETENCE

AGE	56 Years
DIRECTOR SINCE	13th February 2025 (appointed as Managing Director w.e.f. 1st October 2025)
TENURE ON BOARD	1.1 Year (As on 31st March 2026)
DIN NO.	09493881

****Note:** (He was appointed as WTD on 9th February 2022 and resigned from the Board w.e.f. 08th April 2024 due to organizational changes.) He was appointed on Board of the Company as Whole-time Director w.e.f 13th February 2025 for a period of five (5) consecutive years for which necessary approval was obtained from members of the Company.*

He was appointed as Managing Director with effect from 01st October 2025 for a period of five (5) consecutive years for which necessary approval was obtained from members of the Company.

Committee

Ⓐ Audit Ⓒ Corporate Social Responsibility Ⓢ Stakeholders' Relationship Ⓡ Risk Management

Antonio Molle

Non-Executive, Non-Independent Director (*w.e.f. 13th January 2026)

R N

Mr. Antonio Molle is currently SKF Group Global Operations Director Automotive Global Operations Director. He has over 30 plus years' experience and has worked with the SKF Group Companies in Italy and worldwide at various levels including management levels, since 1994.

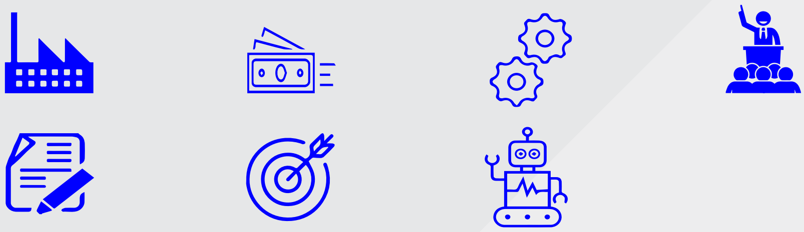
Experience in due diligence for selling and buying, restructuring organizations and processes. Part of due diligence to sell Airasca cages and to buy Bulgarian plants from government. Experience in closing factories. Fontenay in France and Busan in Korea, Proven experience in lean manufacturing, Proven experience in factories digitalization.

Previously associated with Comag Srl-Based in Cassino- 1993-1994.

QUALIFICATION

Mr. Antonio Molle holds degree in Mechanical Engineering with specialization in Heat transmission in March 1993 through Cassino University. He also has a Doctoral thesis in Thermodynamic machines with prof. Jannelli. Title of the thesis "Gas turbines with heated expansion and cooled compression".

SKILLS AND COMPETENCE



AGE	60 Years
DIRECTOR SINCE	13th January 2026
TENURE ON BOARD	2.18 Months (as on 31st March 2026)
DIN NO.	11400478

****Note:** Appointed on the Board on 13th January 2026 for which necessary approval was obtained from members of the Company.*

Ⓝ Nomination and Remuneration ● Chairman ● Member

Magnus Lennart Prick

Non-Executive, Non-Independent Director (*w.e.f. 13th January 2026)

A

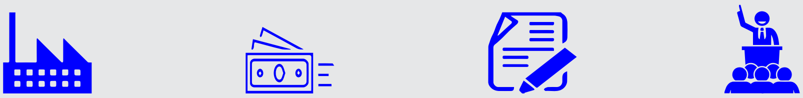
Mr. Magnus Lennart Prick is currently Acting Legal and Compliance Director Automotive Group Management, before current position he was Head of Automotive Corporate Legal. He has over 15 years of experience from a wide range of areas within business law, including but not limited to corporate matters, M&A, governance, commercial contracts, etc.

Previously associated with Volvo Cars, Volvo Group, Mannheimer Swartling (leading Swedish law firm).

QUALIFICATION

Mr. Magnus Lennart Prick holds a Master of Laws (LL.M.) with corporate law as major subject from the University of Gothenburg. He also holds a Bachelor of Business Administration (B.B.A.) with accounting as major subject from the University of Gothenburg.

SKILLS AND COMPETENCE



AGE	42 Years
DIRECTOR SINCE	13th January 2026
TENURE ON BOARD	2.18 Months (as on 31st March 2026)
DIN NO.	11342653

****Note:*** *Appointed on the Board on 13th January 2026 for which necessary approval was obtained from members of the Company*

Committee

Ⓐ Audit Ⓒ Corporate Social Responsibility Ⓢ Stakeholders' Relationship Ⓡ Risk Management

Bastian Thomas

Non-Executive, Non-Independent Director (*w.e.f. 13th January 2026)

NIL

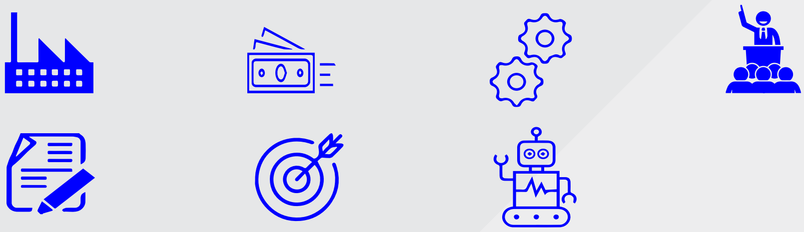
Mr. Bastian Thomas is currently Director -Head of Sales Americas, EMEA &India. Leading Sales Organization (Global Account Management, Regional Key Account Management, Application Engineering, Customer Experience) for the regions Americas, EMEA & India.

He has 20 plus years' experience working with various organizations like the BMW Group, Grammer AG, Volvo Cars and TQ Systems before joining SKF as a Director - Head of Sales Americas, EMEA & India in September 2024.

QUALIFICATION

Mr. Bastian Thomas holds a degree in Business Engineering from the University of Applied Sciences, Munich in which his major subject was Mechanical Engineering.

SKILLS AND COMPETENCE



AGE	44 Years
DIRECTOR SINCE	13th January 2026
TENURE ON BOARD	2.18 Months (as on 31st March 2026)
DIN NO.	11414682

***Note:** Appointed on the Board on 13th January 2026 for which necessary approval was obtained from members of the Company.*

Ⓝ Nomination and Remuneration ● Chairman ● Member

SHARING THE THINKING BEHIND EVERY STEP FORWARD

Dear Shareholders,

There are years that pass, and there are years that shift something. FY 2025-26 was the latter. This is our first Annual Report since the demerger, a moment that deserves to be acknowledged for what it truly is. Not just a structural change, but a strategic act of clarity. A decision to focus. To move with greater purpose. To build something that is unmistakably, entirely SKF India.

The demerger has given us something that scale alone cannot; a sharper sense of who we are and what we are here to do. As a focused, independent automotive company, we now carry our capabilities, our people and our ambitions in one clear direction: towards a world-class automotive business built on application expertise, technological depth and relationships that hold.

The People Who Move Everything Forward

Progress of this nature is never achieved in isolation. Before anything else, I want to express my sincere gratitude to our shareholders for their continued trust; our employees for their dedication through a year of significant change; and our customers, suppliers, distributors and partners for their enduring collaboration. The way our teams came together through this phase of transformation, with commitment, clarity and a strong sense of shared responsibility, is what made it possible to move forward with confidence.

Closest to the Application, Closest to the Customer

SKF India has always believed that the most valuable work happens at the point where our solutions meet the real world, inside a drivetrain, along a road, within a platform where a customer has spent years. That conviction has not changed. What has changed is how cleanly we can act on it.

As a focused automotive business, we now bring every capability we have to one clear purpose: helping our customers build better, move further, and perform with greater confidence. During the year, we strengthened our work across conventional, electric, and emerging mobility platforms, delivering solutions that improve efficiency, safety, and sustainability in equal measure. Advanced driveline solutions, EV-ready technologies, and significantly enhanced testing and validation capabilities shaped how we showed up for our customers, meeting the demands of today while staying genuinely curious about what they will need tomorrow.

Engineered for Excellence

Every product we put into the world carries a quiet promise of reliability. Keeping that promise at scale requires manufacturing operations that are rigorous, adaptive, and continuously improving.

Our facilities across India continued to enhance their capabilities during the year, with focused investments in productivity, automation, and digitalisation. A supply chain built for agility kept us responsive through a period of industry-wide change. We tailor our operations to the specific needs of the customers we serve, because the variability of real-world applications demands it. Quality and safety hold as the constants around which everything else is calibrated, and they are what our customers count on us for, year after year.

The Year in Numbers

FY 2025–26 was a year of disciplined growth and resilient performance for SKF India. We continued to progress across our key business segments with sharper execution and a clear strategic focus, reflecting the strength and adaptability of our operating model.

Standalone revenue for the year grew to INR 2,129 Crores, registering an increase of ~15.4% year-on-year, while profit before tax stood at INR 235 Crores, reflecting a drop of ~34%. Our performance for the year was to some extent impacted due to one-off demerger-related expense. Still, we delivered a strong sales growth as well as cash realisation. This performance was supported by sustained demand across automotive segments be it two-wheelers, passenger vehicles, commercial vehicles or a resilient aftermarket.

We maintained strong operating cash flows and healthy return ratios, while continuing to invest in digitalisation, capacity

The demerger was not simply a structural milestone; it was a strategic decision that sharpened our focus, strengthened our purpose and laid the foundation for building a world-class automotive company.

INR **1172.2** MILLION
Profit from Continuing Operations

INR **20,304.3** MILLION
Net Sales

enhancement, and capability building. These investments are aligned with our long-term strategy of building a more agile, technology-led, and customer-centric organisation.

Rebalancing Our Portfolio for the Future of Mobility

We are strategically rebalancing our automotive portfolio to align with the evolving mobility landscape while continuing to strengthen our presence across established vehicle segments. Alongside advanced bearing solutions for passenger and commercial vehicles, we are sharpening our focus on high-growth opportunities, particularly in the two-wheeler segment, with our Technical Centre in Bengaluru serving as a dedicated hub for R&D and manufacturing excellence. Our strongest momentum, however, lies in the electric vehicle space, where we are expanding capabilities across EV powertrains, unitized wheel-end systems and sensor-integrated solutions designed for next-generation mobility.

At the same time, our participation in elite racing platforms goes beyond brand visibility, serving as a high-performance laboratory for testing and accelerating advanced technologies under extreme operating conditions. Insights from these applications help fast-track the development of next-generation material and engineering solutions that eventually cascade into mass-market EV platforms. Through this balanced and forward-looking approach, we are building a more resilient, future-ready portfolio aligned with the changing demands of global mobility.

Movement matters most when it moves people further, our customers, our people, our communities and the future of mobility.

One Team for All

If there is one thing that defines life inside SKF India, it is this: nobody solves a problem alone.

Across functions, plants, and customer interfaces, people with very different expertise come together around shared challenges. When engineering, manufacturing, supply chain, and customer teams work as one, the outcomes are consistently better than any one of those teams could produce on their own. This is not a management principle we aspire to. It is simply how things get done here, and it produces partnerships with our customers that are built on mutual investment and lasting trust.

Throughout the year, we have persistently continued to work towards our mission to create safe and healthy workplaces across all SKF operations. Our unwavering commitment to achieving zero accidents is a cornerstone in our strategic approach to employee wellbeing and operational excellence. I am pleased to report an improvement compared to last year. Equally, we have stood firm in fostering an inclusive and respectful work environment to ensure equal opportunities for all. These principles are deeply embedded in our culture and drive the way we work every day.

We continue to advance responsible and ethical operations across our business and value chain, guided by a clear focus on long-term value creation. Our Responsible Sourcing programme is strengthening engagement with suppliers, ensuring high standards of safety, human rights, and environmental stewardship through structured assessments and capability building. At the same time, we are leveraging digitalisation and targeted network consolidation to enhance operational efficiency, with investments in advanced analytics, AI-driven route optimisation, IoT-enabled fleet monitoring, and automated warehousing improving visibility, reducing turnaround times, and strengthening service reliability. In close partnership with our suppliers, we are accelerating supply chain decarbonisation and the adoption of renewable energy, building a resilient and future-ready ecosystem that supports sustainable growth.

Our Commitment to the World Around Us

Mainstreaming Sustainability

Sustainability at SKF India is deeply ingrained in our culture, our operations and across our value chain. Our commitment is reflected in how we design, source, manufacture, and deliver.

We continue to make measurable progress across energy efficiency, renewable energy adoption, water positivity, responsible manufacturing, and resource conservation. Every commitment we make in this space is tracked against outcomes, because we hold ourselves to the same standard of evidence we apply to everything else. With our Pune, Haridwar, and Bengaluru sites now certified as decarbonised by the Group, SKF India has demonstrated that sustainability is not just a commitment but a delivered reality. Reaching net zero by 2050 means acting beyond our factories, driving supplier decarbonisation with low-carbon steel and renewables, and cutting logistics emissions through smarter lanes, CNG vehicles, and reduced air freight. Through optimised consumption, scaling reuse, and improved recharge, our sites are advancing water neutrality, returning more to the environment than we consume.

Recognition from customers and partners for our sustainability leadership demonstrates that we have created lasting value. The work of reducing our environmental footprint and building long-term operational resilience continues, and it will for years to come.

Communities that are Part of Our Story

SKF India recognizes its responsibility towards the communities that we operate in and their well-being is woven into the fabric of our long-standing culture of care. Through impactful initiatives in education, skill development, environment, and livelihood, we continue to invest in the communities that are vulnerable and marginalised. This work is guided by empathy and oriented towards growth that is inclusive, meaningful and lasting.

A business worth building leaves its surroundings better. We take that seriously.

Growing Our People, Growing Our Future

The future of mobility sits at the intersection of technology and human capability, and SKF India is building for both simultaneously.

During FY 2025-26, we invested in skills development across the organisation, strengthened leadership at every level, and prepared our workforce for the technologies reshaping the industry. Electrification, autonomous systems, digital manufacturing: these are the terrains our people are learning to navigate with confidence. Our Leadership Accelerator Programme, SHE Leads, and the global AI Ambassador Programme are among the initiatives that moved people forward this year, each one a demonstration that when we invest in our people's growth, they return that investment many times over.

Moving people further is the thread running through everything SKF India does. It shapes how we hire, how we develop, how we lead, and how we measure whether we are truly succeeding.

Customer Success as Our True North

We carry one standard above all others into every project, every partnership, and every conversation: whether the customer in front of us is better positioned because of us.

We bring deep application knowledge, genuine system-level understanding, and real commitment to the outcomes our customers are working towards. When they grow, we grow. That alignment runs through the entire organisation, and it is what gives our relationships their durability.

Walking Into What Comes Next

The years ahead will ask more questions than any of us can currently answer. Technologies are evolving faster than roadmaps can keep pace with. Mobility expectations are being rewritten by a generation of users who have never known a world without connectivity. The pressure on industry to operate responsibly and efficiently is growing, and it is the right kind of pressure.

We enter this next chapter with a stronger foundation, a clearer identity, and a team that has already demonstrated its ability to move through significant change with grace. We will continue to deepen our customer and partner relationships, invest in the people who make this organisation what it is, stand by the communities that are part of our story, and build solutions that make mobility safer, more efficient, and more sustainable for the people who depend on it every day.

Across every bearing we manufacture, every capability we build, and every partnership we cultivate, a single belief holds:

Movement matters most when it moves people further.

That belief is what has shaped SKF India. It is what will continue to guide us.

Warm Regards,

Shailesh Kumar Sharma
Managing Director

MOVING AHEAD WITH STRONG FUNDAMENTALS

The 10-Year financials

Particulars	As per Ind AS 31st March, 2026	31st March, 2025	31st March, 2024	31st March, 2023	31st March, 2022	31st March, 2021
Net Sales	20,304.3	18,006.7	44,877	42,339	36,036	26,329
Profit Before Tax	2,350.0	3,551.50	7,358	7,329	5,310	3,963
Profit After Tax	1,172.2	2,633.20	5,518	5,248	3,951	2,977
Cash Earning Per Share (INR)	36.5	64.0	127	120	91	72
Rate of Dividend (%)	400.0	145.0	1300#	400	145	145
Gross Block	8,593.6	10,440.2	15,424	14,317	13,557	12,586
Net Block	4,379.4	5,215.7	4,379	3,878	3,650	3,141
Total Borrowings	-	-	-	-	-	-
Share Capital	494.4	494.4	494	494	494.4	494.4
Reserves and Surplus	12,800.3	25,485.1	26,334	22,920	18,363	15,144
Book Value per Share (INR)	269.1	525.9	543	474	381	316
Shareholders' Nos.	69,931	66,264.0	45,970	43,098	41,009	32,425
Employees' Nos.	933	1,727.0	1,701	1,662	1,681	1,762

"*Net Sales for Q1 of 2017-18 , year ended 31st March, 2017 & 15 months ended on 31st March, 2016 includes Excise duty as per Ind AS, whereas 2014 and prior periods are excluding Excise duty as per Indian-GAAP.

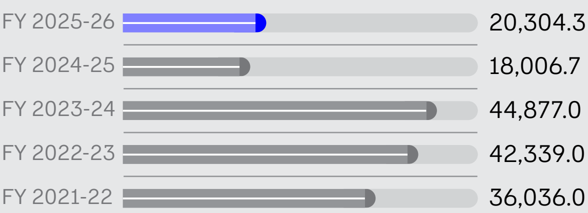
"In accordance with Ind AS 18- Revenue, Net sales from operations are disclosed net of GST w.e.f. 1st July, 2017.

$ The figures presented for FY 2025–26 and FY 2024–25 pertain solely to the automotive business pursuant to the scheme of demerger. Accordingly, the previous year figures are not comparable due to the scheme of arrangement.

Ind AS-18 is replaced by Ind AS 115 w.e.f 1st April 2018.

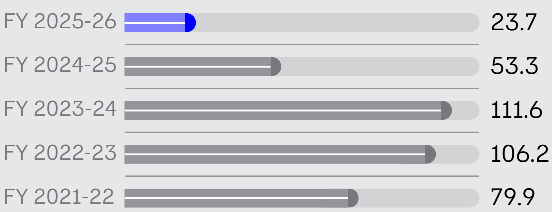
Sales (INR in Million)

20,304.3



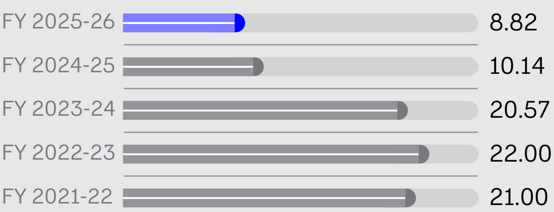
Earnings per Share (INR)$

23.7



Return on Net Worth (%)$

8.82



Book Value (INR per Share)

269

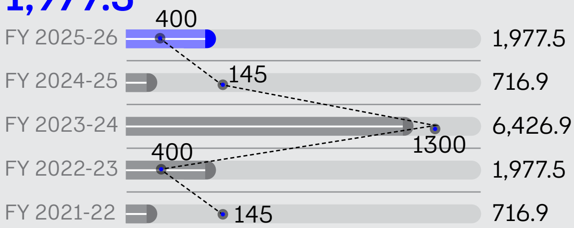
(INR in Millions, unless Otherwise Stated)

					As per Indian GAAP			
31st March, 2020	31st March, 2019	31st March, 2018	31st March, 2017	15 Months Ended on 31st March, 2016	31st December, 2014	31st December, 2013	31st December, 2012	31st December, 2011
27,959	29,960	27,686 *	28,047 *	31,848 *	23,726	22,464	22,041	24,167
3,868	5,242	4,555	3,756	3,945	3,062	2,530	2,831	3,139
2,890	3,358	2,959	2,439	2,559	2,028	1,667	1,901	2,085
70	75	66	55	62	49	41	44	47
1,300^	120	120	100	150	100***	75	75	75
12,146	11,234	11,021	10,657	10,315	10,315	10,351	10,045	9,190
3,146	2,671	2,753	2,806	2,980	3,654	4,011	4,072	3,547
-	900	850	340	650	-	-	-	-
494.4	494.4	513.4	527.0	527.0	527.0	527.0	527.0	527.0
18,558	16,475	17,860	17,585	16,119	13,635	12,228	11,026	9,585
385	332	356	343	316	269	242	219	192
23,636	23,505	23,549	24,653	24,635	24,353	21,219	22,070	23,102
1,716	1,759	1,779	1,789	1,824	1,962	2,052	2,053	2,165

***Dividend of 100% includes interim dividend of 75%.
^,# Special Dividend 1300%

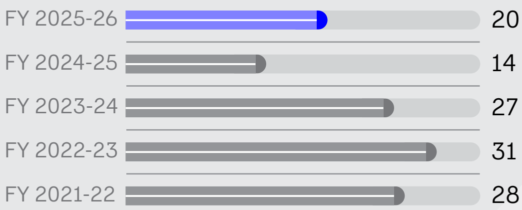
Dividend (INR in Million and % of share)

1,977.5



Return on Capital Employed (ROCE) (%)

20

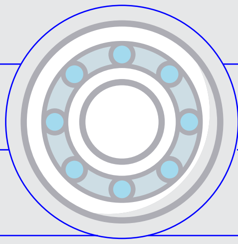


MANUFACTURING

ENGINEERING WHAT KEEPS THE WORLD MOVING

SKF India's manufacturing operations in India are built around one clear purpose: delivering automotive solutions that customers can depend on, consistently and at scale.

Operations Strategy



- Capacity building for high-growth segments
- Regionalisation and localisation
- Assortment portfolio rationalisation (Factory PLP)
- Sustainability through 'green' operations
- Technology step-up
- Competency and leadership development

Four pillars hold this strategy together: Lean, Green, Digital and People. They are not independent workstreams. Each one supports and strengthens the others, and together they are what moves our manufacturing performance in the right direction.

MANUFACTURING A BETTER TOMORROW

LEAN

Eliminate waste, improve efficiency and increase productivity through implementation of

- SKF production system
- Manufacturing footprint
- Customer-centric lean

GREEN

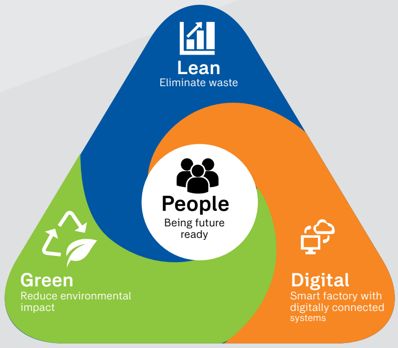
A Cleantech Company with less environmental impact & more sustainability by reducing

- GHG Emission
- Circularity
- Water neutrality
- Oil/grease consumption
- Paper and plastic

DIGITAL

A smart factory with digitally connected systems and automation for transformation in the areas of

- Production
- Maintenance
- Supply Chain



People	Culture and Leadership	Future Workforce	Employee Experience
Innovation	Manufacturing Strategy	New Process	New Product


SKF

Manufacturing Facilities

Our three facilities each play a distinct role in how we serve the Indian automotive market, and each is part of the investment story we are building for the years ahead.

Pune, Maharashtra

One of SKF India's oldest manufacturing hubs and a key facility for automotive and industrial bearing production

Bengaluru, Karnataka

A major bearing manufacturing plant and a critical part of SKF India's production network

Haridwar, Uttarakhand

A strategic manufacturing site serving domestic automotive demand, included in our post-demerger investment

Manufacturing Initiatives Undertaken in 2025-26

Smart Factory and Digital Integration

We are advancing towards Industry 4.0 through IIoT-enabled systems that monitor machine performance in real time, tracking vibration, temperature, and critical parameters to enable predictive maintenance and early detection of deviations. Our integrated Manufacturing Execution Systems (MES) support the following:

- e-Kanban-based material flow and real-time traceability.
- Production control that ensures seamless continuity between planning and execution.
- AI and data analytics that continuously optimise process parameters, maintaining consistent quality across high-speed, round-the-clock operations.
- Technological upgradation of existing machines in the Grinding and Assembly section, including grinding allowance reduction, bore grinding conversion and groove grinding cycle time improvement using Acoustic Emission technology (from 2,000 pcs per hour to 2,400 pcs per hour).
- Face grinding wheel development for hard rings, resulting in cycle time improvement from 1.9 seconds to 1.6 seconds.
- Grinding machines' non-productive time reduction by 20% in bottleneck machines through strong Daily Management adherence.

Lean and Agile Material Flow

Lean manufacturing concepts keep our shop floors efficient and our output consistent. Across our plants, this means:

- Single-piece flow, high-speed lines, and conveyorised production cells that minimise manual intervention.
- Optimised layouts and pull-based systems that reduce idle time and ensure smooth production at scale.
- Focused on group discussions with the manufacturing manager every 15 days and the factory manager every 30 days to strengthen operational responsiveness and continuous improvement.

Integrated Precision Manufacturing

Our facilities are designed with end-to-end in-house capabilities, integrating advanced grinding, honing, assembly, and laser marking technologies together within production environments. This allows us to:

- Maintained tight tolerances across safety-critical components.
- Ensured reliability from raw material processing through to final assembly, without the variability that external dependencies introduce.

Advanced Quality and Inspection Systems

Quality is embedded directly into our processes rather than added at the end of them.

- Real-time monitoring of critical-to-quality parameters embedded directly into the production process itself.
- Automated inspection systems and AI-based vision tools that enable 100% inspection and immediate defect detection.
- Zero-defect output without disrupting production flow.
- Problem-solving using A3 and White Belt project approaches to drive structured root-cause analysis and process improvements

SKF Production System (SPS)

The SPS anchors our approach to continuous improvement, waste elimination, and customer centricity. Through SPS, we improve capacity utilisation, reduce cycle time, and strengthen process capability using tools such as SPC, MSA, and poka-yoke systems.

Digitalisation and Sustainability in Operations

Our digital infrastructure and sustainability commitments move forward together, reinforcing each other across our operations. On the digital side:

- CMMS-based maintenance, SCADA-enabled monitoring, IIoT connectivity, and digital control rooms enhance visibility and improve the quality of decisions made across every site.

On the sustainability side:

- Energy-efficient technologies, heat recovery systems, and innovative material solutions actively reduce our environmental impact, moving us steadily towards a manufacturing model that performs well and operates responsibly.

STRATEGIC PARTNERSHIPS

MOVING FURTHER BY MOVING AS ONE

Real partnership begins where the specification ends. We invest time in understanding the customer's world: the pressures, the constraints, the ambitions behind every decision. That understanding shapes everything we do.

Our Story of Long-Term Customer Trust

Seventy-Five Years at Full Speed with Scuderia Ferrari HP

The partnership that never pit-stopped.

Some collaborations are measured in contracts. This one is measured in championships. Since 1947, SKF Automotive has been a technical partner to Scuderia Ferrari HP, a relationship now spanning more than 1,000 Grand Prix races and 16 Constructors' Championship titles, making it one of Formula One's longest uninterrupted partnerships.

Built for the Limits of What is Possible

Currently, Ferrari's Formula 1 cars carry around 300 fully customised SKF bearings and condition monitoring solutions. These are components operating at the edge of physical possibility, designed to deliver reliability and efficiency where the margin for error is quite literally, zero.

Going Further with Less

The collaboration is also looking ahead. As Ferrari pursues ambitious net-zero goals, SKF's advanced, energy-efficient solutions are helping shape what high performance looks like in a lower-emission era, because moving further should never come at the planet's expense.

The fastest cars in the world run on thousands of decisions made right. We are proud to be part of many of them.

Customer Success Story#1

The Weekend that Saved a Launch

Sometimes the best pitch is just showing up and fixing it.

Not every partnership starts with a contract. This one started with a problem that was not ours to solve and a decision to solve it regardless. When a leading Indian commercial vehicle OEM faced critical bearing failures during EV gearbox validation, we did not wait to be asked twice.

A Crack in the Road Ahead

During a routine engagement with a leading Indian commercial vehicle OEM, our team uncovered something that was not routine at all. Bearings supplied by another vendor were failing during gearbox validation for a new electric vehicle platform. The launch timeline, and everything tied to it, was suddenly at risk.

When Partnership Means Going Off-Script

We had no prior claim to this business. But that did not change what we did next. Our teams worked directly alongside the OEM's engineering and procurement teams and their Tier-1 partner to fully understand the failure, the mechanics of it, the operating conditions behind it, and the urgency that surrounded it. We came not as a vendor chasing an opportunity but as a partner trying to solve a real problem.

Fast Thinking, Faster Delivery

Our application engineering team diagnosed the issue and proposed a robust alternative bearing solution. What happened next speaks for itself: our Bengaluru plant delivered validated samples within a weekend, enabling immediate testing.

Validation Passed, Trust Earned

The new bearings performed without fault. The launch risk was eliminated. The customer subsequently moved the business to SKF India, with series production beginning within months of that first call.

Speed matters. So does care. And sometimes, the most important thing a partner can do is decide that a problem belongs to them, even before anyone asks.

ENGINEERING AND TECHNOLOGICAL PROWESS

THINKING AHEAD OF EVERY TURN

Our approach to engineering is defined by a deep understanding of systems and how they perform in real-world conditions. By combining strong application knowledge with the ability to look beyond stated requirements, we develop solutions that are not only technically sound but also aligned with how our customers operate and evolve.

Case Study[#1]

Enabling the Next Era of High-Speed EV Performance

The Challenge

Electric and hybrid powertrains operate at high speeds in near-silent environments, demanding exceptional precision, low NVH and thermal stability within compact designs.

The Solution

We developed a high-speed deep groove ball bearing with a patented design enabling ~20,000 rpm. At its core is a high-speed performance polymer cage, optimised internal geometry, best-in-class clean steel, delivering low deflection, stable rolling element guidance and reduced rotating mass and low heat generation for lifetime.

The Impact

The bearing enables quieter, more energy-efficient operation and enhanced drivetrain reliability. Its forward-looking design approach led to adoption by a leading EV and hybrid platform manufacturer for upcoming vehicle platforms.

Extending this philosophy of engineering beyond current needs, we are introducing next-generation ultra-high-speed cage technology capable of ~30,000 rpm, supporting future-ready EV architectures for higher speed, efficiency and reliability.

Case Study#2

Powering Safe Electrification

The Challenge

As EV and hybrid platforms evolve, OEMs face rising risks from stray electrical currents generated by high-power inverters, converters, and complex e-drive architectures. These currents can lead to electrical corrosion, lubricant degradation, noise, and premature system-level failure.

The Solution

We developed an integrated solution of ceramic bearing and carbon brush ring system that interrupts stray current while providing a safe, controlled grounding path. Co-engineered with OEMs, we go beyond standard specifications to address both current and emerging electrical risks, ensuring compatibility with next-generation e-drive architectures and enhanced system reliability.

The Impact

The solution delivers improved electrical robustness, quieter operation and enhanced durability for traction motors and generators. It has been adopted by an emerging Tier-1 e-drive supplier in the city bus segment, a leading Indian OEM developing a hybrid platform, and a global OEM preparing an advanced EV platform for India.

In one validation case, a conventional all-steel bearing exhibited electrical corrosion and abnormal noise at ~47,800 km. With our integrated solution, these electrical issues were eliminated, resulting in a safer and more reliable drivetrain.

ENVIRONMENT

LEAVING A LIGHTER TRAIL

At SKF India, environmental responsibility shapes how we innovate, how we manufacture, and how we make decisions across the value chain. Our focus spans reducing emissions, improving energy efficiency, advancing circularity, and conserving natural resources, not as separate workstreams, but as a single, connected commitment to leaving less behind as we move further ahead.

Decarbonisation of Manufacturing Operations

In FY 2025-26, SKF India reached a significant milestone. Our Pune, Haridwar, and Bengaluru sites were each certified as decarbonised by the SKF Group, the result of sustained and deliberate effort across every dimension of how we use and source energy. With approximately 98% of our energy consumption coming from electricity, the path to reducing our overall emissions footprint runs directly through a clean energy transition and continuous efficiency improvement.

TARGET Complete decarbonisation of all manufacturing sites by 2030.

Initiatives

- Transitioned to 100% renewable electricity through a combination of onsite and offsite sourcing and renewable energy certificates
- Maintained a continuous year-on-year energy efficiency improvement of ~5%
- Deployed advanced technologies such as adsorption chillers for heat recovery, EC+ fans with VFD systems and heat pumps for furnace pre-washing
- Substantially reduced LPG usage in heat treatment furnaces and diesel consumption across sites
- Installed a dedicated electrical feeder at our Bengaluru site to minimise outages and reduce dependency on diesel generators

IMPACT Eliminated Scope 2 GHG emissions associated with electricity consumption.

Energy Efficiency

Decarbonisation and energy efficiency are two sides of the same effort, and our SustEn initiative holds both together. A long-standing programme built around structured energy management in line with ISO 50001 standards, SustEn keeps dedicated teams at each certified manufacturing site actively identifying significant energy users and driving focused initiatives that deliver sustained, compounding efficiency gains over time.

Initiatives

Bengaluru

- Converted hydro motors to AC servo motors.
- Upgraded AHU with EC+ motors and VFD systems.
- Transitioned to IE4 motors, LED lighting, and idle energy control.

Haridwar

- Modernised HVAC systems with EC+ fans.
- Replaced hydraulic presses with hydropneumatic systems.

Pune

- Carried out furnace upgrades with heat insulation and thyristor control.
- Deployed energy-efficient compressors with heat recovery.
- Integrated adsorption chiller technology.

IMPACT

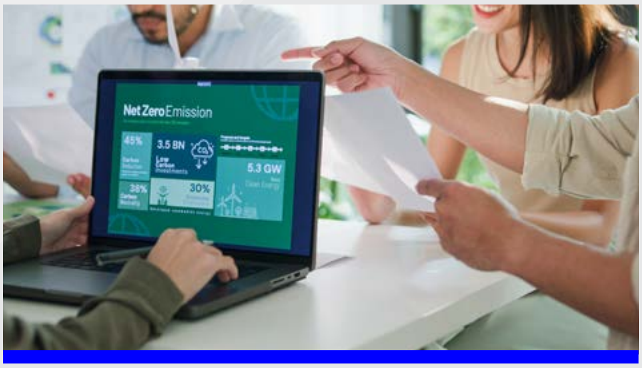
- 300+ MWh annual energy savings in Bengaluru site
- 500+ MWh annual energy savings in Haridwar site
- ~3,010 MWh Annual Energy Savings in Pune Site due to various energy saving projects.

Net Zero GHG Emissions

Reaching Net Zero by 2050 means looking well beyond our own factory walls. Our Scope 3 emissions, those generated upstream by our suppliers and downstream through logistics, are where a significant share of our total carbon footprint lives, and they are where we are now directing focused attention.

TARGET

- Achieve direct material emission reduction by 32% by 2030 from 2019 baseline
- Achieve transportation emission reduction of by 35% by 2030 from 2019 baseline.



Initiatives

- Identified high-emission suppliers, including steel mills and component manufacturers.
- Collaborated closely with them to develop Net Zero roadmaps, energy efficiency plans and renewable energy adoption strategies.
- Monitored and reduced emissions across road, air and sea transport.
- Implemented lane optimisation and modal shift strategies.
- Increased the use of CNG vehicles for last-mile delivery.
- Deployed an air freight approval tool to restrict usage to critical cases only.

Waste Management and Circularity

We are reducing our waste footprint by redesigning material flows and embedding circular practices across operations and the value chain to recover more, discard less, and keep materials in productive use for as long as possible.

Initiatives

- Ensured redesigning of packaging to eliminate excess material and reduce plastic intensity.
- Eliminated shrink wrap and introduced returnable packaging systems.
- Collaborated with suppliers and customers to enable circular material flows.
- Diverted waste from incineration through recycling and co-processing.
- Strengthened source segregation practices to improve recovery rates.

Water Stewardship and Positivity

Water is a shared resource, and in the regions where we operate, managing it responsibly is not optional. We are advancing water neutrality by reducing freshwater consumption, scaling reuse and enhancing groundwater recharge, enabling us to return more water to the environment than we consume.

Initiatives

- Reduced freshwater use through aerators, automation, and process optimisation.
- Enabled circular usage via RO upgrades and reuse of treated water.
- Strengthened aquifer replenishment through storage and recharge systems.
- Ensured real-time tracking and transparency through advanced metering.

IMPACT

Bengaluru and Haridwar plants have been certified as water positive.

Client Testimonials

The measure of any sustainability commitment is whether the people working alongside you see it the same way. Two of our key partners shared their perspective.

A Recognition of Shared Commitment to Clean Energy

We were honoured to receive the Gold Supplier-Clean Energy Champion recognition from TVS Motor Company at the Supplier Sustainability Summit 2025. This award reflects our commitment to renewable energy adoption, responsible manufacturing and ESG-driven practices. The summit highlighted the power of collaboration in advancing sustainability goals, and we remain committed to working with industry partners to build a cleaner, more responsible and future-ready industrial ecosystem.

When Partnership Drives Sustainability Excellence

At the HMSI Supplier Convention 2026, SKF India Limited was recognised for its contribution to advancing Honda's sustainability agenda. Through close collaboration, we supported initiatives around water neutrality, renewable energy, responsible chemical management and carbon reduction. Our sustainability best practices will now be showcased across Honda's global plants as a reference model.

SOCIAL: PEOPLE

INVESTING IN TALENT WHO MOVE EVERYTHING

We are committed to building an inclusive, safe, and future-ready workplace that nurtures talent, encourages innovation, and strengthens leadership capabilities.

Learning and Development

Building Capabilities for the Future

Growth starts with knowing where the gaps are. We identify current and future skill requirements through strategic workforce planning, business reviews, and structured people processes. Inputs from business leaders, performance outcomes, competency frameworks, and industry trends shape how we assess capability gaps and design targeted learning interventions. Continuous learning takes shape

through a blend of internal programmes and digital platforms such as LinkedIn Learning, allowing employees to upskill at their own pace while strengthening role-specific and functional expertise.

Digital and Future Skills Enablement

Initiatives

Launched a global AI Ambassador programme, where trained employees cascade knowledge further into their teams.

AI awareness session, led by AI Ambassadors, was initiated to build foundational understanding across the organisation.

Conducted product training and new manager assimilation programmes to support consistent development across roles.

Measuring Learning Effectiveness

6,120
Total Training Hours

14.43
Average Training Hours Per Employee

239
Number of Employees Trained

84%
Mandatory Training Completion

158
Number of Employee Enrolments in External Training

167
Number of Employee Enrollments in Internal Training

46
Number of Trainings

Leadership Development and Talent Pipeline

Initiatives

Leadership Accelerator Programme for high-potential employees combined structured training, on-the-job application and mentorship, enabling emerging leaders to think differently, lead decisively and translate learning into measurable business impact through strategic projects, senior leadership interactions and accelerated career growth.

Leadership Development Programmes for mid-level and senior leaders, strengthening strategic thinking, decision-making, and people leadership.

Manage Lead Coach Programme to build a consistent approach to leading and growing teams.

SHE Leads, a focused initiative to build a robust pipeline of women leaders and close representation gaps at middle and senior management levels.

Embedding Diversity, Equity and Inclusion (DE&I)

Initiatives

- Targeted hiring interventions and role tagging for diversity to improve representation at every level.
- Ensured partnerships with talent acquisition specialists to bring the right people in through the right channels.
- Implemented SHE Leads programme and the ISEA Women's Network for community building, psychological safety, and equitable development.
- Conducted unconscious bias training, psychological safety conversations, and regular POSH training to foster a workplace where every person is treated with respect.
- Ensured equal pay commitments and structured grievance mechanisms to reinforce transparency and accountability.

Health and Safety

During FY 2025-26, we continued to strengthen our Environment, Health and Safety (EHS) framework through a structured, data-driven, and people-centric approach, with a clear focus on prevention, engagement, and continuous improvement.

Safety Performance

Lead/Lag Indicator	FY 2024-25	FY 2025-26
Recordable Accidents	3	3
Accident Rate (Number of Accidents per Workforce Hours)	0.7	0.08
Severity Rate (Number of Lost Days per Accident)	64	20

Turning Insights into Action

Listening is where safety improvement begins. We rolled out the Operator Safety Pulse Survey across our plants, giving the frontline workforce a direct voice in shaping the safety environment around them. The findings confirmed a strong safety foundation while pointing to areas that needed focused attention.

Key improvement areas identified:

- Oil leakages, slip and trip risks, and ergonomic challenges on the shop floor.
- PPE comfort and fit.
- Behavioural risks arising from production pressures.
- Implement machine safety interlocks for legacy machines.

Actions taken at site level:

- Implemented leakage prevention programmes across hydraulic, lubricant, and coolant systems across all factories.
- Strengthened slip, trip, and fall controls through improved housekeeping, floor conditions, and visual management.
- Drove ergonomic improvements through better material handling practices, equipment modifications, and targeted awareness initiatives.

Building Safer Systems

We advanced our approach to safety through a cluster-wide Group Machine Safety Programme covering both legacy machines and newly integrated equipment, aligned with SKF global standards and ISO 12100 principles.

Initiatives

- Deployed robust interlocking and safeguarding systems to prevent exposure during hazardous operations.
- Addressed fire risks, particularly in older and retrofitted machines.
- Enhanced physical guarding systems to eliminate exposure to moving and high-risk components.

IMPACT STORIES

From Potential to Progress

What does it take to become a leader?

In November 2024, twelve emerging leaders embarked on SKF India's Leadership Accelerator Programme for Automotive Business India under the guidance of Alagesan Thasari. Built on the 70-20-10 learning philosophy, the programme combined real business challenges, cross-functional collaboration, and engagement with senior leaders to accelerate leadership growth.

Over the course of the programme, participants enhanced their technical and strategic capabilities while developing confidence, resilience, and a broader business perspective. The journey culminated in a graduation ceremony, where certificates were presented by Bastian Thomas. Today, these leaders return to their roles empowered to inspire teams, drive innovation, and create meaningful impact.

Leadership that Connects

During her three-day visit to Bengaluru and Pune, Kerstin Enochsson reinforced SKF India's long-term commitment and aligned teams around the automotive business demerger and future direction. Through interactions with leadership, shopfloor teams, and customers such as Bajaj Auto, she highlighted India's growing strategic importance. The visit strengthened alignment, fostered collaboration, and reinforced a shared focus on delivering long-term value.

How We Move Our People Further

Diksha Ranganekar

Business Excellence & SKF Production System Champion

Joining SKF in February 2025, Diksha embarked on a journey driven by a passion for continuous improvement and operational excellence. As a Business Excellence Champion, she is fostering a culture of lean thinking by empowering teams, strengthening shop-floor engagement, and embedding the SKF Production System across manufacturing operations.

Jayaram Ganesh

GM – Process Development, Wheel End Cluster Manufacturing Development

With over 35 years at SKF since joining in July 1989, Jayaram's journey reflects a legacy of manufacturing excellence and innovation. From leading critical process improvements and greenfield projects to driving technology transfers and capability building, he has played a pivotal role in strengthening SKF's operational excellence across multiple product portfolios.

Vivek Devardekar

HUB Manufacturing

Every day brings new challenges and opportunities to learn, keeping me constantly motivated to grow. I feel trusted to take decisions and own outcomes in an environment where safety comes first and support is always available. With continuous learning and development, I'm confident in taking on greater responsibilities and progressing towards a supervisor role.

Mahindra Fuge

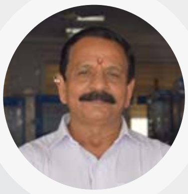
Maintenance

I joined SKF India in 1992 and have spent nearly 34 years growing with the Company. Starting on the production line gave me a strong foundation, which later helped me transition into maintenance and critical machine repair. Today, I focus on restoring high-value components like spindles, ensuring machines run smoothly and safely. SKF India's culture of trust, safety, and continuous learning has consistently supported my growth and motivated me to keep improving.

Sayali Salunkhe

TRB Production

My five-year journey at SKF India from DGBP resetting to HUB, TRB Quality, and now TRB Production has given me strong cross-functional exposure and helped me grow both technically and professionally. With well-structured training programmes, including those at the Kushal Training Centre, I have been able to continuously build my skills, gain confidence, and perform better in every role.



Ravindra Chaukar

Multiskilling Trainer, Global Operations

My journey with SKF India began in 1982, and over the years I have grown from an operator to focusing on training and skill development. Today, I take pride in preparing employees, especially new joiners to understand our culture, safety practices, and processes with confidence.

Santosh Rane

Head Commercial Vehicle Segment

I joined SKF India in an application engineering role and have since grown across product management and sales, expanding my perspective from core engineering to full business responsibility. Each transition pushed me beyond my comfort zone and shaped my holistic development. Being nominated as an AI champion further strengthened this journey, helping me explore emerging technologies.

Abhijeet Somwanshi

Head Passenger Vehicle Segment

Since joining SKF India in 2010 as an engineer at the Global Technical Centre, my journey has been shaped by continuous learning, expanding responsibilities, and diverse growth opportunities. From technical expertise to global roles and customer-centric application engineering, each experience broadened my perspective. Today, as I lead sales and application engineering for the passenger vehicle segment, I see how SKF India empowers people to grow, take ownership, and build meaningful careers.

SOCIAL: CSR

REACHING BEYOND OUR WALLS

At SKF India, responsible growth and social progress go hand in hand. Our CSR approach is rooted in the belief that business success must translate into meaningful and measurable impact in the lives of people and for society.

4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
8 DECENT WORK AND ECONOMIC GROWTH

Our CSR Impact at a Glance, FY 2025-26

17,000+
Students Reached through STEM Education

80
Divyaang Students Supported through Higher Education

78
Women Placed in STEM Careers (Avg. Salary: INR 4.5 LPA)

96
Harvesting Systems Installed

8,639
Households Benefited through Water Initiatives

20
Water Bodies Restored

Pillar 1: Education

WEGYAAN

Building Foundations for STEM Learning

Through WeGyaan, we bring that experience to government schools which lack access to experiential and application-based STEM education, limiting students' ability to engage with science meaningfully across India, delivering hands-on learning experiences through mobile science labs, activity-based modules and interactive teaching methods.

4 QUALITY EDUCATION

Highlights

17,000+
Students Benefitted across 4 Major Regions

55%
Female Participation in Rural Districts

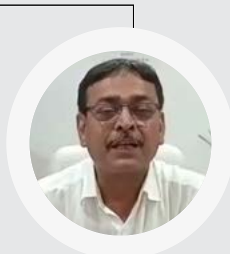
23
National Qualifiers in Bebras Computing Challenge

Our Beneficiaries Speak

"Activity-based learning has redefined the way students experience science, bringing concepts to life and inspiring greater confidence in their own abilities."
Mrs. Preeti Mishra Science Teacher, GGSSS Badshahpur, Gurugram

"SKF India's Mobile Science Lab is emerging as a powerful catalyst in science education, sparking curiosity and nurturing confidence among young learners."

Mr. Ram Mandal Education Officer, Sitamarhi Block, Bihar



Pillar 2: Employability

8 DECENT WORK AND ECONOMIC GROWTH

YES (YOUTH EMPOWERMENT AT SKF)

Creating Livelihood Pathways

A job is more than income. It is a sense of direction, a reason to plan ahead, a first step towards something larger. Through YES, we prepare young people for work and for life through vocational training, industry exposure, and entrepreneurship support.

Highlights

POCKET GARAGE KIOSKS
Established in Ajmer and Jodhpur

68%
Retention Rate among Placed Candidates

INR 14,941/MONTH
Average Salary Offered (23% Increase YoY)

UDAAN

Advancing Inclusive Higher Education

Every student deserves a fair path forward. Udaan exists because talent has never been evenly distributed across opportunity, and we believe that gap is worth closing. The Udaan scholarship programme supports girls and persons with disabilities in accessing higher education, with a particular focus on science and technology.

Highlights

80
Divyaang Students Supported

78
Women Employed with an Annual Average Salary of INR 4.5 LPA

Recognised by GUINNESS WORLD RECORDS
for Modular Leg Support Innovation

Pillar 3: Environment

WATER SUSTAINABILITY

Strengthening Rural Resilience

We restore traditional water bodies and implement rooftop rainwater harvesting systems across rural regions, building reliable access where it has long remained uncertain. These interventions have improved water availability, reduced dependence on external sources, and strengthened community resilience.

Highlights

20
Ponds/Lakes Restored

96
Rooftop Rainwater Harvesting System Structures Built

8,639
Households Impacted

12,561
Livestock Impacted

Our Beneficiaries Speak

"We are deeply grateful to SKF India and the Ambuja Foundation for rejuvenating our village pond and implementing a Rooftop Rainwater Harvesting System (RRWHS). Their efforts have ensured that our lake and water tanks are replenished during the monsoon, providing a reliable source of water for our daily needs. Women no longer have to walk long distances to fetch water, as safe drinking water is now readily available at our doorstep."

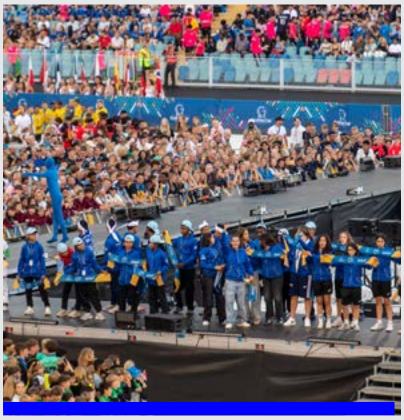
Pradhan and Villagers of Feench, Jodhpur, Rajasthan

Pillar 4: Social Inclusion

GOTHIA CUP

Enabling Inclusion through Sports

Through our Gothia Cup initiative, we brought young footballers, including athletes with disabilities, onto an international stage. What they showed the world was remarkable. Beyond the wins, the programme builds confidence, advances inclusion, and gives young athletes a global experience that stays with them long after the final whistle.



10 REDUCED INEQUALITIES

Highlights

WINNERS (2 YEARS IN A ROW)
Special Olympics

DIPLOMATIC RECOGNITION
Recognised by Ambassadors of India and Sweden

STRATEGIC COLLABORATIONS
All India Football Federation and Haryana Football Association

Our Supporting Voice Speaks

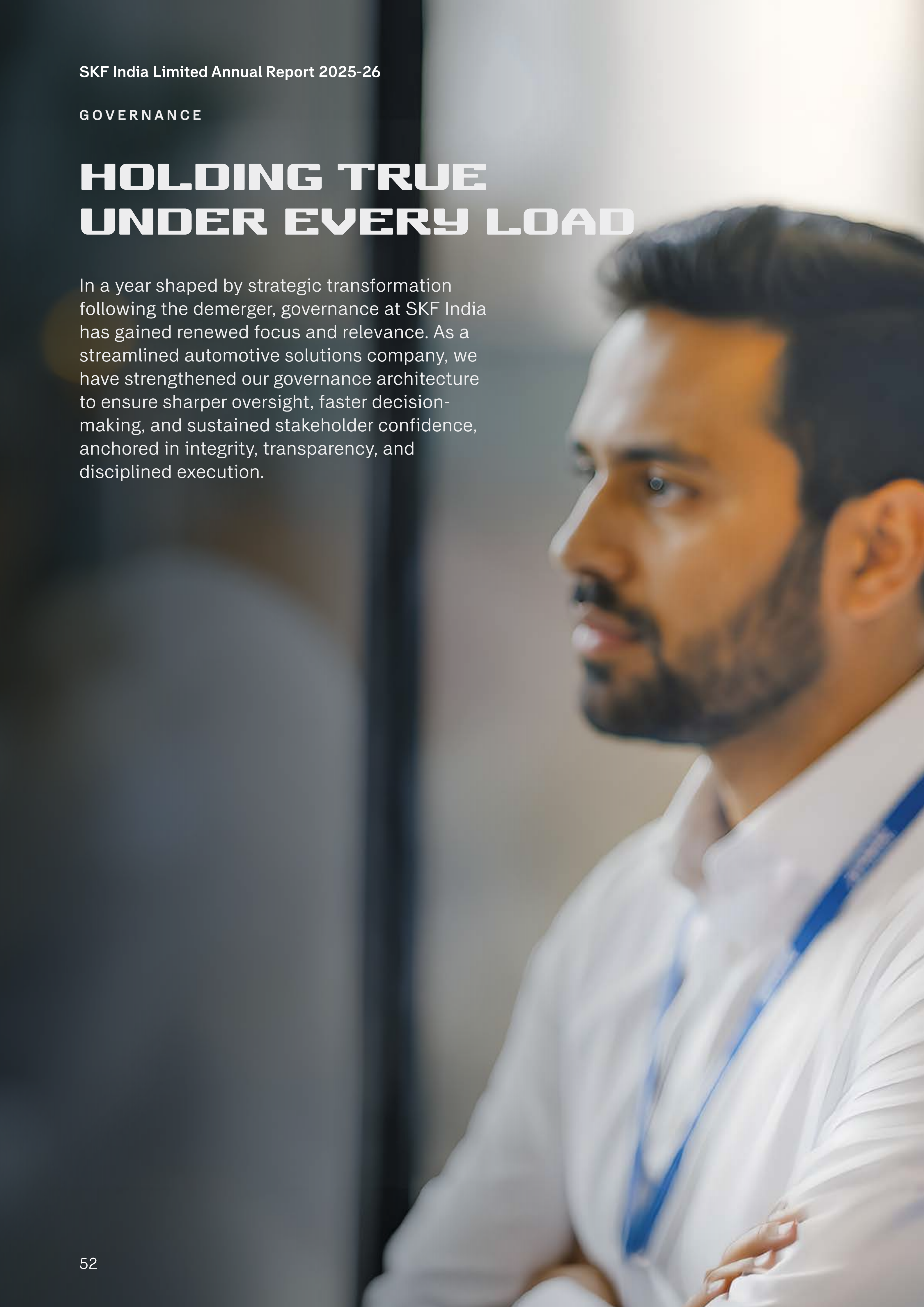
"The victory of Special Olympics Bharat at the Gothia Cup stands as a powerful testament to resilience and inclusivity. I commend SKF India for its meaningful contribution in empowering athletes with intellectual disabilities and advancing the spirit of a Viksit Bharat."

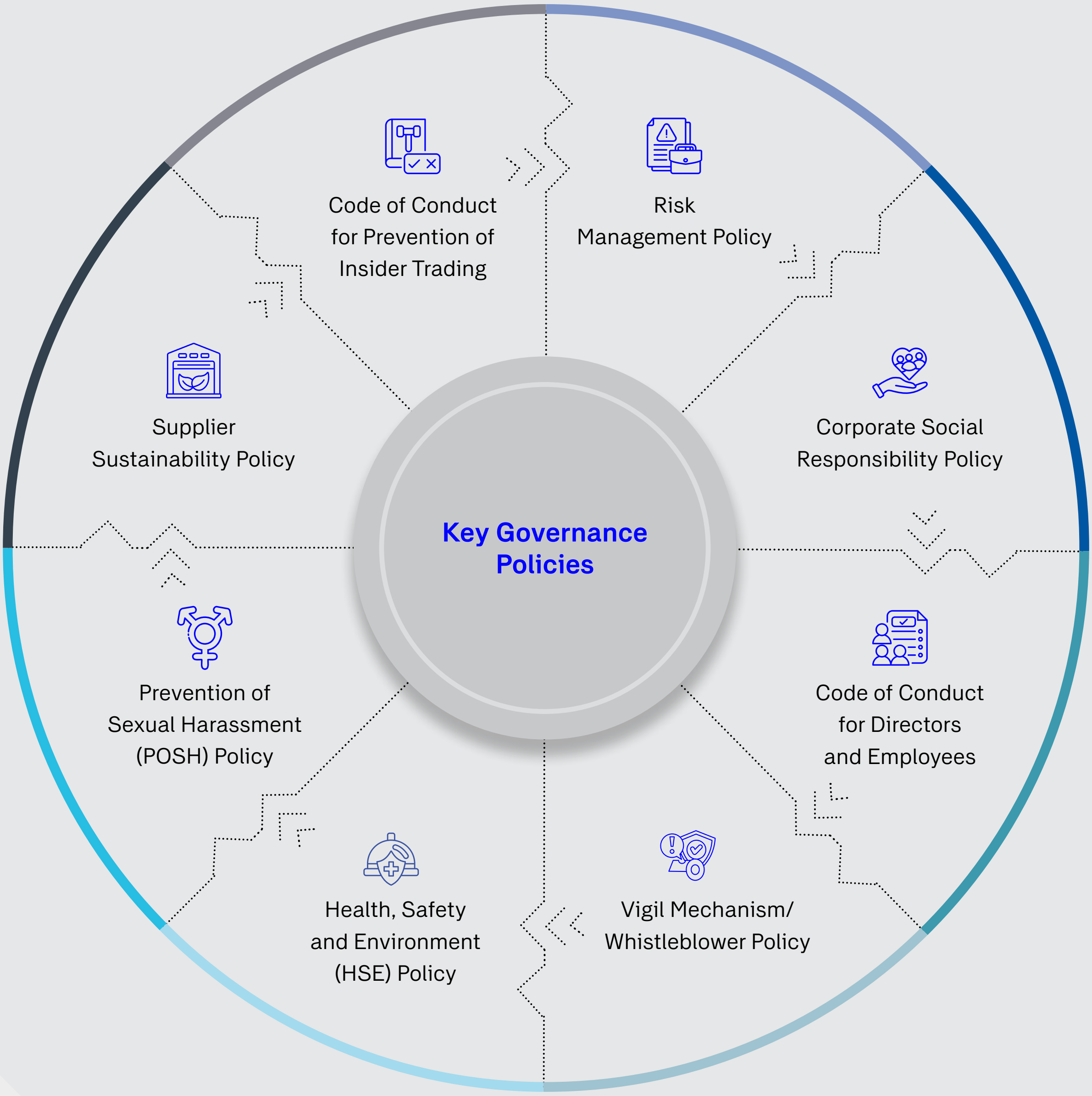
Ms. Raksha Khadse, Union Minister of State for Youth Affairs and Sports, Government of India

GOVERNANCE

HOLDING TRUE UNDER EVERY LOAD

In a year shaped by strategic transformation following the demerger, governance at SKF India has gained renewed focus and relevance. As a streamlined automotive solutions company, we have strengthened our governance architecture to ensure sharper oversight, faster decision-making, and sustained stakeholder confidence, anchored in integrity, transparency, and disciplined execution.




Key Governance Policies
Code of Conduct for Prevention of Insider Trading
Risk Management Policy
Supplier Sustainability Policy
Corporate Social Responsibility Policy
Prevention of Sexual Harassment (POSH) Policy
Code of Conduct for Directors and Employees
Health, Safety and Environment (HSE) Policy
Vigil Mechanism/ Whistleblower Policy

Deepening Investor Confidence, One Conversation at a Time

Strengthening investor trust remains a core priority for SKF India. During FY 2025-26, the Company advanced this commitment through a series of structured investor and shareholder engagement initiatives at its Pune manufacturing facility, providing stakeholders with deeper insights into its operations, strategy and long-term value creation approach.

Experiencing SKF India Firsthand

Following the Annual General Meeting held on 6th August, 2025, SKF India hosted shareholder plant visits on 10th and 11th September 2025, welcoming approximately 60 participants. The response reflected strong interest from a diverse shareholder base, including several long-standing investors associated with the Company for decades.

The visits offered participants a firsthand view of SKF India's manufacturing excellence, operational discipline and sustainability practices, while also creating opportunities for direct interaction with the leadership team.

Investor Engagement during the Demerger Journey

In the lead-up to the demerger completed on 1st October 2025, SKF India organised dedicated plant visits for institutional and retail investors to foster greater understanding of the business and reinforce transparency during a significant phase of transformation.

Institutional investors engaged with senior leadership through focused discussions on the Company's strategic priorities, innovation pipeline and growth roadmap, complemented by detailed facility walkthroughs. Retail investors participated in interactive sessions featuring simplified business and financial narratives, plant tours and open dialogue, enabling a clearer understanding of SKF India's operations and long-term growth potential.

Sustaining Dialogue Beyond the Demerger

Building on these engagements, SKF India conducted a subsequent investor interaction in November 2025, reaffirming its commitment to maintaining open communication and stakeholder engagement in the post-demerger phase.

Building Confidence through Open Communication

Across all engagements, SKF India remained committed to the principles of transparency, responsible disclosure and equitable access to information. Discussions were limited to information available in the public domain, with the visits serving as an educational platform to enhance stakeholder awareness and confidence.

These initiatives reflect SKF India's ongoing commitment to fostering an informed and engaged investor community, built on trust, consistency and meaningful dialogue.

AWARDS

RECEIVING WHAT CONSISTENT EXCELLENCE ATTRACTS

Recognition is earned in the details: the problems taken seriously, the solutions that hold, the partnerships built over years of honest work. Each award marks a moment in time, but points to something more enduring: a commitment to progress that continues long after the trophy is presented.

78 AWARDS

PUNE

61 AWARDS

Regional Level	-	19	5	2
National Level	3	11	12	8
International Level	-	1	-	-

Organising Forums : CII, QCFI, ACMA, SCMHRD, ICQCC, NCQC, Empiric Business Media

BENGALURU

8 AWARDS

Regional Level	-	2	-	-
National Level	1	2	2	-
International Level	-	1	-	-

Organising Forums : CII, QCFI, NCQC, ICQCC

HARIDWAR

9 AWARDS

Regional Level	-	5	-	-
National Level	-	1	2	-
International Level	-	1	-	-

Organising Forums : CII, QCFI, NCQC, ICQCC

Platinum Gold Silver Bronze

CORPORATE INFORMATION

Board of Directors and Key Managerial Persons (KMPs) as on 31st March 2026

Mr. Gopal Subramanyam
Chairperson & Non-Executive, Independent Director

Ms. Anu Wakhlu
Non-Executive, Independent Director

Mr. Antonio Molle
Non-Executive, Non-Independent Director (w.e.f. 13th January 2026)

Mr. Bastian Thomas
Non-Executive, Non-Independent Director (w.e.f. 13th January 2026)

Mr. Magnus Lennart Prick
Non-Executive, Non-Independent Director (w.e.f. 13th January 2026)

Mr. Shailesh Sharma
Managing Director (w.e.f. 01st October 2025)

Ms. Mayuri Kulkarni
Company Secretary and Compliance Officer (w.e.f. 01st October 2025)

Ms. Aashi Arora
Interim Chief Financial Officer (w.e.f. 01st October 2025 till 14th May 2026)

Committees of the Board as on 31st March 2026

Audit Committee

Ms. Anu Wakhlu
Non-Executive, Independent Director (Chairperson)

Mr. Gopal Subramanyam
Non-Executive, Independent Director (Member)

Mr. Magnus Lennart Prick
Non-Executive, Non-Independent Director (Member)

Stakeholders' Relationship Committee

Mr. Gopal Subramanyam
Non-Executive, Independent Director (Chairperson)

Ms. Anu Wakhlu
Non-Executive, Independent Director (Member)

Mr. Shailesh Sharma
Managing Director (Member)

Nomination and Remuneration Committee

Ms. Anu Wakhlu
Non-Executive, Independent Director (Chairperson)

Mr. Gopal Subramanyam
Non-Executive, Independent Director (Member)

Mr. Antonio Molle
Non-Executive, Non-Independent Director (Member)

Risk Management Committee

Mr. Gopal Subramanyam
Non-Executive, Independent Director (Chairperson)

Ms. Anu Wakhlu
Non-Executive, Independent Director (Member)

Mr. Shailesh Sharma
Managing Director (Member)

Mr. Antonio Molle
Non-Executive, Non-Independent Director (Member)

Mr. Alagesan Thasari
Head Automotive Business (Member)

Ms. Aashi Arora
Interim Chief Financial Officer (Member)

Corporate Social Responsibility Committee

Mr. Shailesh Sharma
Managing Director (Chairperson)

Mr. Gopal Subramanyam
Non-Executive, Independent Director (Member)

Ms. Anu Wakhlu
Non-Executive, Independent Director (Member)

Auditors of the Company

M/ s. Deloitte Haskins & Sells LLP, Chartered Accountants

Secretarial Auditors of the Company

M/s J .B. Bhave & Co, Company Secretaries

Bankers of the Company

- The Hong Kong Shanghai Banking Corporation Limited
- HDFC Bank Limited
- Yes Bank Limited
- Deutsche Bank
- State Bank of India
- Citibank

Share Transfer Agent of the Company

MUFG Intime India Private Limited
(Erstwhile Link Intime India Private Limited)

Director's Report

Dear Members,

The Board of Directors of your Company are pleased to present the 65th Annual Report, with audited financial statements (Standalone and Consolidated) for the financial year ended on 31st March, 2026.

1. **Summary - Financial Results (Standalone and Consolidated)**:

INR in MINR ("Million")

	Year Ended		Year Ended	
	31st March, 2026 Standalone	**31st March, 2025 Standalone**	**31st March, 2026 Consolidated**	**31st March, 2025 Consolidated**
Revenue from Operations	21,295.9	18,453.4	37,633.9	49,199.2
Other Income	770.5	306.5	1,061.6	1,014.5
Total Income	**22,066.4**	**18,759.9**	**38,695.5**	**50,213.7**
Operating Expenditure	18,815.2	14,681.2	33,149.4	41,752.6
Depreciation	630.2	527.2	779.8	830.8
Profit before exceptional items and tax from continuing operations	**2,621.0**	**3,551.5**	**4,766.3**	**7,630.3**
Exceptional Items	271.0	-	431.2	-
Share of Net Profit/(loss) of Associate	-	-	(1.3)	1.7
Less: Tax expenses	1,177.8	918.3	1,674.4	1,972.9
Profit after Tax from continuing operations (A)	**1,172.2**	**2,633.3**	**2,659.4**	**5,659.1**
Discontinuing operations:			**-**	**-**
Profit before exceptional items and tax from discontinuing operations	2144.6	4,079.6		
Less: Exceptional items	160.2	0		
Less: Tax expense of discontinuing operation	496.5	1,054.7		
Profit after exceptional items and tax from discontinuing operations (B)	**1,487.9**	**3,024.9**	**-**	**-**
Profit after Tax from continued & discontinued operations (C=A+B)	**2,660.1**	**5,658.1**	**2,659.4**	**5,659.1**
Other Comprehensive Income from Continuing Operations (D)	(29.6)	(86.8)	(13.3)	(80.1)
Other Comprehensive Income from Discontinued Operations (E)	16.3	6.7	-	-
Total Comprehensive Income for the Period (C+D+E)	**2,646.8**	**5,578.0**	**2,646.1**	**5,579.0**

2. **Operations:**

The Standalone Revenue from operations of the Company for the year ended on 31st March 2026, stood at INR 21,295.9 Million compared to INR 18,453.4 Million in the previous year. The Company's Standalone Profit before Tax for the year under review was INR 4,765.6 Million (includes profit from continuing operation INR 2,621 Million and profit from discontinuing operation INR 2,144 Million) compared to INR 7,631.0 Million (includes profit from continuing operation INR 3,551.5 Million and profit from discontinuing operation INR 4,079 Million) in the previous year.

The Standalone Profit after Tax for continuing operation for this period was INR 1,172.2 Million, compared to INR 2,633.3 Million during the previous year.

The Company incurred a capital expenditure of INR 2,291.9 Million during the year.

3. **Standalone and Consolidated Financial Statements:**

The standalone and consolidated financial statements of the Company for FY 2025-26 are prepared in compliance with the applicable provisions of the Companies Act, 2013 ('the Act') including Indian Accounting Standards specified under Section 133 of the Act. The audited standalone and consolidated Financial Statements together with the Auditors' Report thereon forms part of the Annual Report for FY 2025-26.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statements of the associate companies forms a part of the Annual Report as **Form No. AOC - 1** enclosed as **Annexure – E**.

The Financial Statements of the associate company shall be made available to Members on request through email and are also available on the website of the Company, which can be accessed at https://www.skf.com/in/investors/skf-india-ltd in the Board Outcome, Financial Results and Annual Report section.

4. **Material changes and commitments if any, affecting the financial position of the Company:**

There have been no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company i.e. 31st March, 2026 to which the financial statements relate and up to the date of this report.

There was no change in the nature of the business of the Company.

5. **State of Company's Affairs:**

The Company empowers global enterprises with its latest technology for the next decade today. The Company's core businesses include manufacturing of bearings and their components in India. SKF India Limited is an affiliate of the Sweden-based SKF Group, which was founded in 1907. SKF Group started its operations in India in 1923 and continues to provide industry-leading automotive and industrial engineered solutions through its five technology-centric platforms: bearings and units, seals, mechatronics, lubrication solutions and services. Over the years, the Company has evolved from being a pioneer ball bearing manufacturing company to a knowledge-driven engineering company helping customers achieve sustainable and competitive business excellence.

SKF Group's solutions provide sustainable ways for companies across the automotive and industrial sectors to achieve breakthroughs in friction reduction, energy efficiency, and equipment longevity and reliability. With a strong commitment to research-based innovation, SKF India Limited offers customised value-added solutions that integrate all its five technology platforms.

The Boards of Directors of the Company and of SKF India (Industrial) Limited, at their respective meetings held on 26th December, 2024, approved the Scheme of Arrangement ('the Scheme') between SKF India Limited ('Demerged Company') and SKF India (Industrial) Limited ('Resulting Company') and their respective shareholders and creditors for the demerger of Industrial Business into a Company on a going concern basis (as defined in the Scheme), subject to requisite statutory and regulatory approvals under Sections 230-232 of the Companies Act, 2013.

During the FY 2025-26, pursuant to a scheme of arrangement entered into between SKF India Limited ('the Company', '**demerged company**'), its shareholders, creditors and SKF India (Industrial) Limited ('**resulting company**'), the Company has taken a key strategic step by demerging its Industrial Business and the Automotive business. The scheme of arrangement was approved by the shareholders of the company on 14th July, 2025 and by the Hon'ble National Company Law Tribunal on 26th September, 2025.

The Demerger was undertaken to inter-alia enable the Demerged Company and the Resulting Company to operate independently, pursue distinct growth strategies, improve efficiency, enhance strategic flexibility, de-risk both the Automotive and Industrial businesses, and unlock value for shareholders while providing clearer visibility into each business's performance.

The Scheme was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 26th September, 2025. The Appointed Date and Effective Date of the Scheme is 01st October, 2025.

The demerger has formally separated SKF India's business into two focused entities viz.
SKF India (Industrial) Limited ("Industrial Business") and SKF India Limited ("Automotive Business") – each equipped with independent boards and governance structures.

- SKF Industrial will drive growth across manufacturing, railways, renewables, cement and heavy engineering sectors, and
- SKF Automotive will concentrate on supporting India's evolving mobility ecosystem across EV, two-wheeler and wheel-end bearings segments

Both the entities will continue to leverage SKF's global technology ecosystem, digital capabilities and sustainability focus, while operating with strategic autonomy to drive performance and innovation.

Change in Promoter:

SKF (UK) Ltd and SKF Forvaltning AB were holding 31,29,581 Equity Shares (6.33%) and 1,96,423 Equity Shares (0.4 %) respectively in SKF India Limited, **same were transferred to Aktiebolaget SKF ('AB SKF') on 1st October, 2025. Post which AB SKF holds 2,59,92,059 Equity Shares (52.58%). Necessary pre and post compliances were done within prescribed timelines.**

On 22nd December, 2025 AB SKF holding 2,59,92,059 Equity Shares (52.58%) transferred its entire holding to SKF Interim AB which is a wholly-owned subsidiary of AB SKF.

As on 22nd December, 2025, SKF Interim AB (now known as SKF Vertevo AB) held 2,59,92,059 Equity shares (52.58%) and continues to hold the same as on 31st March, 2026. Necessary pre and post compliances were done within prescribed timelines.

The aforesaid disclosures are available on the Company's website at https://www.skf.com/in/investors/skf-india-ltd/shareholder-information

The state of affairs of the Company is presented as part of the **Management Discussion and Analysis Report** forming part of this Annual Report as **Annexure - A**.

6. **Transfer to Reserves**:

The Board of Directors decided to retain the entire amount of profit for FY 2025-26 in the profit and loss account. No amount was transferred to the General Reserves of the Company.

7. **Dividend**:

The dividend recommended is in accordance with the Dividend Distribution Policy of the Company. For the FY 2025–26, the Company has declared a final dividend of INR 40 per equity share of face value INR 10 each for its shareholders.

FY 2025-26 was a Historic year, with the completion of demerger which has formally separated SKF India's business into two focused entities viz. SKF India (Industrial) Limited ("Industrial Business") and SKF India Limited ("Automotive Business").

The Board of Directors at their meeting held on 13th May, 2026 has recommended the payment of INR 40 /- per equity share of the face value of INR 10/- each as the final dividend for the financial year ended 31st March, 2026, compared to INR 14.5 per equity share for the preceding financial year ended 31st March, 2025. The pay-out is expected to be INR 1,977.6 Million, the payment of the final dividend is subject to the approval of the shareholders of the Company at the ensuing 65th Annual General Meeting ('AGM') of the Company to be held on 14th August, 2026.

As per the Income Tax Act, 1961 ('the Act'), as amended by the Finance Act, 2020, dividends paid or distributed by a company after 1st April, 2020, shall be taxable in the hands of the shareholders.

The Company shall, accordingly, make the payment of the final dividend after deduction of tax at source.

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the Dividend Distribution Policy approved by the Board is available on the Company's website:

https://www.skf.com/binaries/pub12/Images/0901d196809a6abb-Dividend-Distribution-Policy-SKF-India-Feb-2017_tcm_12-526433.pdf

The policy is also part of the Annual Report as **Annexure - L**.

During this financial year, the unclaimed dividend amount pertaining to the dividend for FY 2018-19 was transferred to the Investor Education and Protection Fund ('IEPF').

8. **Record Date:**

The Company has fixed Friday, 03rd July, 2026 as the record date, for the purpose of determining the eligibility of the shareholders for payment of the dividend for the financial year ended 31st March, 2026.

9. **Share Capital Structure and Listing of Shares**:

The paid-up share capital of the Company as of 31st March 2026, is INR 494.38 Million - divided into 4,94,37,963 equity shares of INR 10/- each. The Company's equity shares are listed on the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE).

During the year under review, there was no change in the share capital of the Company from the last financial year.

The shares are actively traded on the BSE and NSE and have not been suspended from trading.

The Company has not issued any shares with differential voting rights or sweat equity shares during

FY 2025-26. As of 31st March 2026, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

10. Awards and Accolades:

Your Directors are pleased to share that during the year under review, your Company continued its tradition of excellence and was honoured with several awards and recognitions, reaffirming its strong foothold in the Indian manufacturing industry. The following are some of the notable achievements:

- **Pune**
  a) Platinum Award – 18th CII Poka Yoke Competition 2025 (Alarm Type Poka Yoke, Online)
  b) Platinum Award – 18th CII Poka Yoke Competition 2025 (Shutdown Type Poka Yoke, Online)
  c) Gold Award – 18th CII Poka Yoke Competition 2025 (Control Type Poka Yoke, Online)
  d) Silver Award – 18th CII Poka Yoke Competition 2025 (Control Type Poka Yoke, Online)
  e) Gold Award – 52nd CII National Kaizen Competition 2025 (Renovative Category, Online)
  f) Gold Award – 52nd CII National Kaizen Competition 2025 (Breakthrough Category, Online)
  g) Gold Award – 52nd CII National Kaizen Competition 2025 (Innovative Category, Online)
  h) Silver Award – QCFI Energy Conservation Competition 2025 (Pune)
- **Bengaluru**
  a) Gold Award – QCFI 8th Conclave on Poka Yoke
  b) Gold Award – CII 6th National Technology Competition
  c) Platinum Award – CII 22nd National Competition
  d) Gold Award – QCFI 34th Chapter Convention
  e) Gold Award – ICQCC International Convention 2025 (Taipei)
  f) Excellence Award – NCQC 39th National Convention on Quality Concepts
  g) Gold Award – CII 55th National Kaizen Competition
  h) Silver Award – CII 55th National Kaizen Competition
- **Haridwar**
  a) Gold Award – QCFI Kaizen Competition (Haridwar)
  b) Gold Award – CII National Competition (Online)
  c) Gold Award – QCFI Kaizen Competition (Haridwar)
  d) Gold Award – QCFI Kaizen Competition (Haridwar)
  e) Gold Award – ICQCC International Convention (Taipei)
  f) Excellence Award – NCQC National Convention on Quality Concepts (Greater Noida)
  g) Excellence Award – NCQC National Convention on Quality Concepts (Greater Noida)
  h) Gold Award – QCFI Kaizen Competition (Haridwar)
  i) Gold Award – QCFI Kaizen Competition (Haridwar)

11. Management's Discussion and Analysis and Outlook:

The Management's Discussion and Analysis (MDA) Report giving the details on review of operations, performance, opportunities, and outlook of the Company, as required under Corporate Governance guidelines, has also been incorporated as a separate section forming a part of the Annual Report as **Annexure-A**.

12. Corporate Governance:

Our corporate governance practices are a reflection of our value system encompassing our culture, policies and relationships with our stakeholders. Integrity and transparency are key to our corporate governance practices to ensure that we gain and retain the trust of our stakeholders at all times. Corporate governance is about maximising shareholder value legally, ethically, and sustainably. Our Corporate Governance Report for FY 2025-26 forms part of this Annual Report.

During the year under review, the Company complied with the provisions relating to corporate governance as provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 **('SEBI LODR').** The Corporate Governance Report, together with a certificate from the Company's Statutory Auditors confirming the compliance is provided in the Report on Corporate Governance, which forms part of the Annual Report as **Annexure-B**.

At SKF India Limited, the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in

Director's Report (Contd.)

international corporate governance. Pay-offs from strong governance practices have been in the sphere of valuations, stakeholders' confidence, market capitalisation and recognition from different stakeholders.

13. **Directors and Key Managerial Personnel:**

a) **Changes in Directors:**

i. **Appointments:**

During FY 2025-26, based on the recommendation of Nomination and Remuneration Committee ('**NRC**') of the Company, the Board of Directors have appointed Mr. Antonio Molle (DIN: 11400478), Mr. Bastian Thomas (DIN: 11414682) and Mr. Magnus Lennart Prick (DIN: 11342653) as Additional Directors on the Board with effect from 13th January, 2026, and the shareholders' approved their appointment as Directors liable to retire by rotation via a Postal Ballot conducted in that matter which was concluded on 17th March, 2026.

Mr. Antonio Molle, Mr. Bastian Thomas and Mr. Magnus Lennart Prick are not debarred or disqualified from holding the office of Director by virtue of any SEBI order or any other statutory authority as required under the Circular dated 20th June, 2018, issued by the BSE and NSE.

ii. **Changes in designation:**

As informed in the Outcome of Board meeting dated 30th September, 2025, due to the change in role of Mr. Mukund Vasudevan pursuant to the demerger, he resigned from the position of the Managing Director with effect from the closure of business hours of 30th September, 2025 and on the recommendation of Nomination and Remuneration Committee, he was appointed as Non-Executive, Non-Independent Director w.e.f. 1st October, 2025 on the Board, and the necessary shareholders' approval was obtained by the Company within prescribed timeline as per SEBI LODR. Mr. Mukund Vasudevan is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

Further, in the Board Meeting dated 30th September, 2025, due to the resignation of Mr. Mukund Vasudevan, the board has appointed Mr. Shailesh Sharma (DIN: 09493881) as the Managing Director of the Company w.e.f. 1st October, 2025 to hold the office for a period of five years i.e., till 30th September, 2030. The necessary shareholders' approval was also obtained by the Company within the prescribed timeline as per SEBI LODR. Mr. Shailesh Sharma is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

iii. **Resignations:**

Due to their other pre-occupancies and commitments, Mr. Mukund Vasudevan, Mr. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson resigned from the post of Director (Non-Executive, Non-Independent) of the Company with effect from the closure of the business hours of 12th January, 2026.

iv. **Retirement by rotation:**

According to the provisions of section 152(6) of the Companies Act, 2013, Mr. Magnus Lennart Prick is liable to retire by rotation as he has been the longest in office since his last appointment on 13th January, 2026. Mr. Magnus Lennart Prick, being eligible has offered himself for re-appointment as a Director of the Company. The proposed resolution for his re-appointment forms part of notice convening Annual General Meeting.

b) **Changes in Key Managerial Personnel:**

As mentioned above, due to the change in role of Mr. Mukund Vasudevan in SKF India Limited, pursuant to the demerger, he resigned from the position of the Managing Director w.e.f. the closure of business hours of 30th September, 2025. The board has appointed Mr. Shailesh Sharma as the Managing Director of the Company w.e.f. 01st October, 2025 to hold the office for a period of five years i.e., till 30th September, 2030 on the recommendation of Nomination and Remuneration Committee. Necessary shareholders' approval was obtained by the Company within the prescribed timeline as per SEBI LODR.

During the FY 2025-26, pursuant to the demerger of the Company and pursuant to their change in role in the organisation, Mr. Ashish Saraf, Chief Financial Officer and Mr. Ranjan Kumar, Company Secretary and Compliance Officer resigned from their respective roles w.e.f. the closure of business hours of 30th September, 2025.

Further, Ms. Aashi Arora was appointed as the Interim Chief Financial Officer and Ms. Mayuri Kulkarni was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 01st October, 2025.

During the year under review and till the date of this meeting, apart from the above-stated facts, there was no change in the composition of the Board of Directors and Key Managerial Personnel of the Company.

14. Declaration from Directors:

Pursuant to the provisions of Section 149 of the Act, the Independent Directors of the Company, Mr. Gopal Subramanyam (DIN: 06684319) and Ms. Anu Wakhlu (DIN: 00122052), have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) and 25(8) of the SEBI LODR. They are also in compliance with Rule 6 (1) and (2) of the Companies (Appointment & Qualifications of Directors) Rules, 2014. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act 2013 as well as the Code of Conduct for Directors and Senior Management Personnel.

All other Directors (including Executive & Non-Executive, Non-Independent) of the Company have also provided declarations on the fact that they are not debarred from holding the office of Director by virtue of any SEBI order or any other statutory authority as required under the Circular dated 20th June, 2018, issued by the BSE and NSE.

The Board of Directors of the Company is of the opinion that the Independent Directors possess a high level of integrity, expertise, and experience, which are beneficial to the Company and its stakeholders.

15. Contribution of Independent Directors to the Growth of the Company:

The Board of Directors of the Company strategically comprises of Independent Directors from different domains which adds value to the Company. Every Independent Director with his/her expertise and integrity has earned a vast experience and reputation in the industry. Our Independent Directors are experts in Industry Experience, Sector Specific knowledge, Finance, Marketing, Strategic Thinking, Regulatory Laws, and Leadership skills as mentioned in the Corporate Governance Report which is a part of this document as **Annexure -B**. These domains are integral part of every business and therefore the collective expertise of these board members ensures that we are up to the mark with the global leaders in terms of ethics, corporate governance, best industry practices, transparency and technology. The online proficiency self-assessment test of Independent Directors conducted by Indian Institute of Corporate Affairs ensures that the skills and knowledge is appropriate and beneficial to the Company. Both the Independent Directors have successfully passed the test.

16. Key Managerial Personnels:

In terms of Section 203 of the Act, the following are the Key Managerial Personnels (KMPs) of the Company as on 31st March, 2026:

- *Mr. Shailesh Sharma, Managing Director (w.e.f. 1st October, 2025)
- Ms. Aashi Arora, Interim Chief Financial Officer (w.e.f. 1st October, 2025)
- Ms. Mayuri Kulkarni, Company Secretary and Compliance Officer (w.e.f. 1st October, 2025)

*Mr. Shailesh Sharma was a Whole-Time Director till 30th September, 2025 and was appointed as a Managing Director on the recommendation of the Nomination and Remuneration Committee w.e.f. 01st October, 2025.

17. Meetings of Board and its Committees:

Regular meetings of the Board and its Committees are held to discuss and decide on various policies, strategies, financial matters, and other businesses. The schedule of the Board / Committee Meetings which were held in the calendar year 2025 was circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings.

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Due to business exigencies, the Board has also been approving proposals by circulation from time to time.

During FY 2025-26, 5 (five) meetings of the Board of Directors were held. The details of meetings of the Board and Committees such as the Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Risk Management Committee, and Corporate Social Responsibility Committee, are included in the Report on Corporate Governance, which forms a part of the Annual Report as **Annexure -B.**

Details of the latest committee members are also available on website of the Company https://www.skf.com/in/investors/skf-india-ltd/operating-committees

18. Board Evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, the Board Committees, and individual directors pursuant to the provisions of the Act and SEBI LODR, as amended from time to time.

The process followed for Board evaluation includes:

i) Feedback is sought from each Director about their views on the performance of the Board (as a whole)/ Committees/Independent Directors/ Chairperson/self-assessments, covering various relevant criteria such as degree of fulfilment of key responsibilities, effectiveness of Board processes, participation levels, culture, strategy, risk management, Corporate Governance and responsibilities to various Committees, etc.

ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from various Directors, including the assessment of individual directors by the Chairperson.

iii) The Independent Directors (post their meeting) share their collective feedback on the performance of the Board with the Board Members.

iv) Significant highlights, learnings, and action points arising out of the evaluation are presented to the Board and action plans are drawn up wherever required.

The Directors express their satisfaction with the entire evaluation process.

19. Familiarisation Programme:

The details of the training and familiarisation programme are provided in the Corporate Governance Report. Further, at the time of the appointment of an Independent Director, the Company issues a formal letter of appointment outlining his/her role, function, duties and responsibilities. The format of the letter of appointment is available on our website.

Over the years, the Company has developed a robust familiarisation process for the Independent Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related regulations. This process inter alia includes providing an overview of the industry, the risks and opportunities, the new products, innovations, sustainability measures, digitisation measures, etc.

Details of the Familiarisation Programme for Independent Directors are explained in the Corporate Governance Report and is also available on the Company's website at

https://cdn.skfmediahub.skf.com/api/public/09ad997b83973140/pdf_preview_medium/Familiarization_Programme_of_Independent_Directors_2025-26_pdf_preview_medium.pdf

20. Appointment of Directors and Remuneration Policy:

The Company has in place a policy for the remuneration of Directors, Key Managerial Personnel, and Senior Management Team as well as a well-defined criterion for the selection of candidates for appointment to the said positions. The Policy broadly lays down the guiding principles, philosophy, and the basis for payment of remuneration to the Executive and Non-Executive Directors, Key Managerial Personnel, and Senior Management Team.

The Appointment of Directors and Remuneration Policy is available on the Company's website at https://cdn.skfmediahub.skf.com/api/public/0901d19680cbc6e6/pdf_preview_medium/0901d19680cbc6e6_pdf_preview_medium.pdf

The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board of Directors while selecting candidates. The policy on remuneration of Directors, Key Managerial Personnel, and Senior Management Team is given in this Report.

21. **Audit Committee:**

The Audit Committee is constituted in terms of the requirements of Section 177 of Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, comprises of 3 (three) members.

The Committee is chaired by Ms. Anu Wakhlu (Independent Woman Director). The other Members of the Committee are Mr. Gopal Subramanyam (Independent Director) and Mr. Magnus Lennart Prick (Non-Executive, Non-Independent Director). Two-third members of the Committee are Independent Directors.

Details of the roles and responsibilities of the Audit Committee, the particulars of meetings held, and the attendance of the Members at such meetings during the year are given in the Report on Corporate Governance, which forms a part of the Annual Report as **Annexure -B.**

During the year under review, the recommendations made by the Audit Committee were accepted by the Board.

22. **Corporate Social Responsibility Committee:**

The Corporate Social Responsibility Committee constituted in terms of the requirements of the Section 135 of Companies Act, 2013, comprises of 3 (three) members. The Committee is chaired by Mr. Shailesh Sharma (Managing Director). The other Members of the Committee are Mr. Gopal Subramanyam (Independent Director) and Ms. Anu Wakhlu (Independent Director). Two - third members of the Committee are Independent Directors.

Details of the roles and responsibilities of the Corporate Social Responsibility Committee, the particulars of meetings held, and attendance of the Members at such meetings during the year are given in the Report on Corporate Governance, which forms a part of the Annual Report as **Annexure-B.**

CSR Policy is also disclosed on the website of the Company at:

https://cdn.skfmediahub.skf.com/api/public/094308225693c64d/pdf_preview_medium/SKF_India_Limited_CSR_Policy-20260427095120_pdf_preview_medium.pdf

During the year under review, the recommendations made by the Corporate Social Responsibility Committee were accepted by the Board.

23. **Corporate Social Responsibility:**

The Company's objective is to foster more capable, inclusive, and resilient communities through a collaborative approach that recognises the unique needs of marginalised communities. We strive to catalyse positive change in the communities where we operate, aiming to make a meaningful difference from the perspective of those we serve. Our social strategy is integrated with our core business strategy, aiming to empower communities and the environment and generate shared value across our footprint. Aligned with two of our business core values of care and collaboration, our social strategy endeavours to empower communities and promote planetary sustainability.

The Company has been actively engaged in various CSR activities over the years, which cover the entire gamut of community welfare and sustainable environmental activities across the nation. The thrust areas under CSR inter-alia included Education, Empowerment and Environment.

The Corporate Social Responsibility (CSR) Committee reviews and monitors the CSR projects and expenditures undertaken by the Company. The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company under the CSR Policy during the year under review are set out in the **Annual Report on CSR Activities & CFO Certificate** which forms a part of the Annual Report as –**Annexure-C**

The total unspent CSR amount for the FY 2025-26 under review is **Nil**.

24. **Risk Management Committee:**

Risk is inherent in all businesses and the key to success is to anticipate risks and deploy an appropriate framework to manage them. In today's world, the external and internal environment is changing at an ever-increasing pace and which, in turn, requires businesses to not only manage the existing risks but anticipate emerging risks and deploy mitigating strategies on a continuous basis. Embracing the upside risk opportunities combined with deploying the mitigation strategies are key to success.

The Risk Management Committee (RMC) receives regular insights through its corporate governance structure, which has enabled and empowered its management, on risk exposures faced by the organisation, thereby enabling it to provide inputs on prompt actions to be taken as well as monitor the actions taken. The Board is also updated regularly on the risk assessment and mitigation procedures.

The Company's governance structure has well-defined roles and responsibilities, which enable and empower the Management to identify, assess, and leverage business opportunities and manage risks effectively. There is also a comprehensive framework for strategic planning, implementation, and performance monitoring of the business plan, which inter alia includes a well-structured Enterprise Risk Management (ERM) process.

The risks that fall under the purview of high likelihood and high impact are identified as key risks.
This structured process of identifying risks supports the Management Team in strategic decision-making and in the development of detailed mitigation plans. The identified risks are then integrated into the Company's planning cycle, which is a rolling process to, inter alia, periodically review the movement of the risks and the effectiveness of the mitigation plan. Your Company has constituted a Risk Management Committee, which oversees risk management activities. The Company's risk management initiatives are periodically updated to the Audit Committee and Board of the Company. The Company's assets continue to be adequately insured against the risk of fire, riot, earthquake, terrorism and the risk of loss of profits also stands insured among other things. In addition, adequate coverage has been taken to cover product liability, public liability and Director's and officer liability. Also, all the employees are covered against the risk of loss of life, hospitalisation and personal accident.

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act and Regulation 21 of the SEBI LODR. Risk Management Policy is hosted on the website of the Company at:

https://cdn.skfmediahub.skf.com/api/public/095c302acd7c7849/pdf_preview_medium/Risk_Management_Policy_pdf_preview_medium.pdf

A section on risk management practices of the Company forms a part of the 'Management Discussion and Analysis' which forms a part of the Annual Report as **Annexure-A**.

25. **Safety/Sustainability:**

a) **Safety:**

At SKF India, the safety, health and wellbeing of employees, contractors and business partners remain a core organisational priority. During FY 2025–26, the Company continued to strengthen its Environment, Health and Safety (EHS) framework through a structured, peoplecentric and systemdriven approach aligned with SKF Group standards and applicable statutory requirements.

The Company progressed on its multiyear EHS culture transformation roadmap, with focused interventions on leadership engagement, employee capability building, behavioural safety, and continuous improvement. Safety culture pulse surveys were deployed across manufacturing locations to identify sitespecific risks and improvement priorities, supported by plantlevel safety champions driving local ownership. Handson learning was reinforced through expanded Safety Skill Centres and simulation based training, including machine safety and finger injury prevention. Regular leadership-led safety communication and recognition initiatives further strengthened awareness and positive safety behaviours.

SKF India maintained robust compliance through an integrated management system aligned with internationally recognised standards, including ISO 45001, ISO 14001, and ISO 50001. Compliance assurance was reinforced through periodic audits, structured tracking of EHS performance indicators and defined governance forums, enabling consistent implementation across locations while addressing site-specific risks.

A proactive, prevention-focused approach to risk management was embedded in daily operations, including standardized risk assessments, machine safety upgrades, near-miss reporting and structured incident investigations. Targeted programmes such as cluster-wide machine safety initiatives and operator-driven Safety Pulse Survey actions translated frontline feedback into tangible risk reduction measures.

Training, emergency preparedness, and employee well-being remained key focus areas through mandatory inductions, functional safety training, emergency drills, ergonomic improvements, and health awareness initiatives. As a result of sustained efforts, SKF India maintained **zero fatalities** during the year and recorded **continued improvement in key safety performance indicators**, reinforcing its commitment to safe, healthy, and responsible operations.

b) **Sustainability**

Sustainability continues to remain central to all initiatives across the SKF Group, playing a critical role in the journey towards **Intelligent and Clean SKF**.

SKF's sustainability strategy is anchored on **three key focus areas**:

- **Climate Transformation**
- **Circularity**
- **Responsible Business**

As part of its green manufacturing agenda, SKF is driving initiatives focused on:

- **Net Zero GHG emissions**
- **Zero Waste to Landfill**
- **Water Neutrality**
- **Product and Process Circularity** to improve material efficiency

These initiatives aim to minimise environmental impact across manufacturing operations, products, and services while contributing to climate action.

Key Green Manufacturing Initiatives

SKF has rolled out multiple initiatives across its operations, including:

- Fossil fuel elimination to reduce **Scope 1 emissions**
- Energy efficiency improvements to reduce **Scope 2 emissions**
- Renewable energy sourcing to reduce **Scope 2 emissions**
- Reduction of logistics and supplier manufacturing emissions to address **Scope 3 emissions**
- Water conservation programs
- Oil and chemical consumption reduction
- Waste elimination through recycling, reuse, and reprocessing

SKF has committed to the Science Based Targets initiatives Net Zero program, with targets to:

- Achieve **100% decarbonization of manufacturing processes by 2030**
- Reach **Net Zero GHG emissions across the full value chain by 2050**

Decarbonisation Progress

Pune, Bangalore and Haridwar have achieved their decarbonisation status which means reducing the overall emissions by more than 95% based on the Group threshold level.

Renewable Energy Progress

As a topmost priority, SKF built 100% renewable energy sourcing capabilities in the form of various solar and wind solar hybrid projects to ensure Scope 2 emissions are eliminated for all manufacturing sites ensuring adherence to RE100 standards. SKF India has sourced 100% of manufacturing energy from renewable sources.

Supply Chain Decarbonization

SKF's sustainability team is working closely with procurement and logistics teams to reduce upstream and downstream Scope 3 emissions.

Key actions include:

- ESG assessments of **suppliers**
- Gap identification and action planning for supplier compliance
- Supplier sustainability workshops for steel mills, forging, ring, and indirect material suppliers
- Implementation of long-term GHG reduction roadmaps

The target is to reduce the Scope 3 Purchased Material emissions by 35% by 2030 from 2019 levels.

Sustainable Logistics

SKF's logistics team is driving initiatives to reduce emissions by **32% by 2030** (base year: 2019) through:

- Air freight reduction projects
- Lane optimisation
- Last-mile road transport reduction initiatives
- Improving CNG fleet

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Water Stewardship

Given that several manufacturing sites operate in water-stressed regions, SKF is focused on:

- Achieving **Water Neutrality by 2028**
- Zero water discharge through ETP/STP treatment and reuse
- Rainwater harvesting and storage enhancement
- Freshwater consumption reduction

Bangalore and Haridwar site have already been certified as Water Positive through third party certification.

Circularity and Waste Reduction

SKF continues to strengthen circular manufacturing through:

- Coolant and chemical recycling initiatives
- Installation of a **Recond Oil for hydraulic oil reuse**
- Sludge compacting systems for coolant recovery
- Recycling of grinding dust at Bangalore and Haridwar plants

Packaging and Waste Management

To reduce packaging-related waste, SKF has implemented:

- Packaging optimisation projects with suppliers and customers
- "**Segregation at Source**" across manufacturing sites and offices
- Elimination of Single use plastic across sites
- Plastic recycling under **Extended Producer Responsibility (EPR)**
- Achieved over **80%** recycling of total waste generated across sites

26. **Internal Controls with Respect to Financial Statements:**

The Company has proper and adequate policies and procedures in place. These procedures ensure reliability and efficient conduct of business. Periodic review and control mechanisms ensure the effectiveness and adequacy of the internal control systems that the Company operates in. Additionally, it views internal audit as a vital part of management control systems.

It helps keep the management informed about the existence and efficacy of the control systems and processes in the organisation.

The management has implemented an effective three (3) lines of defence to monitor controls – first at the Management level, second by implementing an effective internal control system monitored by the Internal Controls team and, third by Internal Audits.

The Company, during the year, reviewed its Internal Financial Control (IFC) systems. It continually worked towards establishing a more robust and effective IFC framework. Being part of the SKF Group, the Company adheres to SICS (SKF Internal Control Standards). This is a customised control system required to be adhered to, across the globe, by all SKF companies. The standards specified by SICS are an integral part of the standard operating procedures for all business functions.

A great extent of emphasis is placed on having compensating controls within the process, minimising deviations and exceptions. The Internal Controls team verifies the existence of adequate controls and test them. The Internal Audit function conducts Process Audits.

The Company also undergoes periodic audits by specialised external professional firms. Risks/improvement areas, identified in the audits, are reviewed and mitigation plans are put in place. The status of implementation of action plans for all major observations is submitted to Audit Committee for review.

The Audit Committee reviews reports submitted by the management and audit reports submitted by Internal and Statutory Auditors. The Audit Committee also meets Statutory Auditors to ascertain, inter alia, their views on the adequacy of internal control systems. Based on the Committee's evaluation, it was concluded that as of 31st March 2026, the internal financial controls were adequate and operating effectively.

The Company has complied with the specific requirements as laid down under Section 134(5)(e) of the Companies Act, 2013. It calls for the establishment and implementation of an Internal Financial Control framework that supports compliance with the requirements of the Act concerning the Director's

Responsibility Statement. Adequacy of controls of the processes is also being reviewed by the Internal Controls function. Suggestions to further strengthen the processes are shared with the respective process owners. Any significant findings, along with management response and status of action plans, are periodically shared with and reviewed by the Audit Committee.

27. Directors' Responsibility Statement:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(5) of the Act:

a) in the preparation of Annual Accounts for the year ended 31st March 2026, the applicable accounting standards have been followed and there are no material departures.

b) Appropriate accounting policies have been selected and applied them consistently. And made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2026, and of the profit of the Company for the period ended 31st March, 2026.

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) Annual accounts of the Company have been prepared on a going concern basis.

e) Internal financial controls have been laid down and are being followed by the Company and that such internal financial controls are adequate and are operating effectively.

f) Proper system to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

28. Related Party Transactions:

In line with the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI LODR**"), the Company has formulated a Policy on Related Party Transactions (Policy) which is also available on the Company's website at https://cdn.skfmediahub.skf.com/api/public/09f1bb38ac70a34d/pdf_preview_medium/09f1bb38ac70a34d_pdf_preview_medium.pdf

The Policy is reviewed by the Audit/ Board of Directors of the Company at regular intervals latest updated on 5th February, 2026. The objective of the Policy is to ensure proper approval, disclosure, and reporting of transactions as applicable, between the Company and any of its related parties. The Audit Committee (only Independent Directors) of the Company has granted omnibus approval for the Related Party Transactions (RPTs) which are of repetitive nature and/or entered in the Ordinary Course of Business and are at arm's length. The Audit Committee also reviews all RPTs on a quarterly basis in line with the omnibus approval granted by them and ratify accordingly.

All transactions with related parties during the year were on an arm's length basis and were in the ordinary course of business. The Company has entered into transactions with related parties, which are material in nature, i.e., exceeds limits mentioned in Schedule XII "A transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year", in this case does not exceed Consolidated Turnover of the Listed Entity threshold of upto INR 20,000 Crores i.e. 10% of the annual consolidated turnover of the listed entity with necessary approval from the Audit Committee, Board of Directors and Shareholders. The particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) in the prescribed **Form No. AOC-2**, in accordance with Section 134(3)(h) of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014, which forms a part of the Annual Report as **Annexure – D**

The disclosures related to RPTs in accordance with accounting standards are also provided in the Financial Statements.

None of the Directors and the Key Managerial Personnel have any pecuniary relationships or transactions with the Company except as disclosed in the Annual Report.

A confirmation as to the compliance of Related Party Transactions as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is also sent to the Stock Exchanges along with the quarterly compliance report on Corporate Governance.

The Company has submitted half yearly basis Related Party Transactions under Regulation 23(9) of SEBI LODR within the prescribed timeline with Stock exchanges and the same is published on the website of the Company.

29. Subsidiaries, Joint Venture and Associates Companies:

As of 31st March, 2026, the Company has 2 (two) Associate Companies, i.e., Sunstrength Renewables Private Limited and Clean Max Taiyo Private Limited. Further, there are no subsidiaries or joint venture companies.

The statement containing the salient features of the Financial Statements of the Company's subsidiaries/ joint ventures/ associates are given in **Form AOC – 1**, which forms a part of the Annual Report as **Annexure-E**.

Further, pursuant to the provisions of Section 136 of the Act, the consolidated financial statements along with relevant documents are available on the website of the Company at https://www.skf.com/in/investors/skf-india-ltd

30. Vigil Mechanism / Whistle-blower Policy:

Over the years, the Company has established a reputation for doing business with integrity and displaying zero tolerance for any form of unethical behaviour. The Company has in place a system through which Directors, employees, and business associates may report unethical behaviour, malpractices, wrongful conduct, fraud, and violation of the Company's code of conduct without fear of reprisal. Your Company has framed a Vigil Mechanism Policy in confirmation with Section 177(9) of the Act and Regulation 22 of SEBI LODR wherein the employees are free to report any improper activity resulting in violation of laws, rules, regulations or code of conduct by any of the employees directly to the Chairperson of the Audit Committee besides others. The Board's Audit Committee oversees the functioning of this policy. The Audit Committee periodically reviews the existence and functioning of the mechanism. It reviews the status of complaints received under this policy on a quarterly basis.

During the year under review, the Company reached out to employees through the Workshops, training sessions, e-learning modules, and, periodic compliance communications to create greater awareness with respect to its Code of Conduct including - Fair Competition Directive, Insider Trading, Anti-bribery, and Anti-Corruption Directive. This has helped in achieving a high level of engagement and compliance among the employees. The Vigil Mechanism Policy aims to:

- Allow and encourage stakeholders to bring to the Management's notice, concerns about unethical behaviour, malpractice, wrongful conduct, actual or suspected fraud or violation of policies, and leak or suspected leak of any unpublished price-sensitive information;
- Ensure timely and consistent organisational response;
- Build and strengthen a culture of transparency and trust;
- Provide protection against victimisation.

The above mechanism has been appropriately communicated within the Company across all levels and the details of the policy have been disclosed on the Company's website and can be accessed at https://cdn.skfmediahub.skf.com/api/public/0901d196809a699a/pdf_preview_medium/0901d196809a699a_pdf_preview_medium.pdf

31. Business Responsibility and Sustainability Report (BRSR):

The fulfilment of environmental, social and governance responsibility is an integral part of the way your Company conducts its business. The detailed Business Responsibility and Sustainability Report covering the above initiatives has been prepared in accordance with Regulation 34 of SEBI LODR along with additional assessment/assurance undertaken by the Company for BRSR Core, which forms a part of the Annual Report as **Annexure-M**.

32. Deposits:

The Company has not accepted or renewed any deposits falling under the ambit of Chapter V of the Companies Act, 2013 and the Rules framed thereunder. No amount on account of principal or interest on deposits from the public was outstanding as of 31st March, 2026.

33. Statutory Auditors:

At the 61st Annual General Meeting of the Company, **M/s Deloitte Haskins and Sells LLP, Chartered Accountants** (Firm Registration No.117366W/W-100018) were appointed as Statutory Auditors of the Company for a term of 5 (five) consecutive years till the conclusion of the 66th Annual General Meeting of the Company to be held in the year 2027, on such remuneration as may be decided by the Audit Committee / Board of Directors of the Company from time to time.

M/s Deloitte Haskins and Sells LLP, Chartered Accountants (Firm Registration No.117366W/W-100018), have submitted their Report on the Financial Statements of the Company for the FY 2025-26, which forms a part of the Annual Report of FY 2025-26. There are no observations, qualifications, reservations, adverse remarks or disclaimers of the Auditors in their Audit Report that may call for any explanation from the Board of Directors.

34. Secretarial Auditor and Secretarial Compliance Report:

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, on the recommendations of the Audit Committee and the Board of Directors, the shareholders have appointed M/s J. B. Bhave & Co., Company Secretaries, as the Secretarial Auditor for conducting Secretarial Audit of the Company for a period of five financial years i.e. from FY 2025-26 to FY 2029-30.

The Secretarial Auditors have submitted their report for the financial year ended 31st March, 2026, in **Form No. MR-3** which forms a part of the Annual Report as **Annexure – F**. The Secretarial Audit Report is self-explanatory and does not call for any further comments. The Secretarial Audit Report does not contain any qualification, reservation/observation, or adverse remarks. During the year under review, the Company is in compliance with the applicable Secretarial Standards, specified by the Institute of Company Secretaries of India (ICSI).

Pursuant to SEBI Circular CIR/CFD1/27/2019 dated 08th February, 2019 read with Regulation 24A of SEBI LODR, all listed entities shall, additionally, on an annual basis, submit a report to the stock exchange(s) on compliance with all applicable SEBI Regulations and circulars/guidelines issued thereunder within 60 days of the end of Financial Year. Such report shall be submitted by the Company Secretary in practice to the Company in the prescribed format.

The Company has received an **Annual Secretarial Compliance Report** from M/s J. B. Bhave & Co., Company Secretaries for the Financial Year ended 31st March, 2026 and it will be submitted to the stock exchange(s) by 30th May, 2026 and will be updated on the website of the Company. Certificate forms a part of the Annual Report as **Annexure – G**.

A certificate from M/s J. B. Bhave & Co., Company Secretaries regarding compliance with regulation 34(3) of sub-regulation 10(i) - Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which forms a part of the Annual Report as **Annexure-H.**

35. Cost Records and Cost Auditor:

a) Maintenance of Cost Records

The Company is required to maintain cost records under Section 148(1) of the Act read with Companies (Cost Records and Audit) Rules, 2014. Accordingly, cost records have been maintained by the Company.

b) Cost Audit

In terms of Section 148 of the Act read with Companies (Cost Records and Audits) Rules, 2014, M/s. Joshi Apte & Associates, Cost Accountants (Firm Reg. No. 000240), Cost Accountants were appointed as Cost Auditors of the Company for FY 2025-26 by the Board of Directors on the recommendation of the Audit Committee. The Cost Auditors had confirmed by giving their written consent that their appointment meets the requirement of Section 141 of the Companies Act, 2013.

The Cost Audit Report for the FY 2025-26 will be filed by the Company with the Ministry of Corporate Affairs on or before the due date.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor, as approved by the Board of Directors on the recommendation of the Audit Committee, is required to be placed before the Members in a general meeting for its ratification. Accordingly, a resolution for seeking Members' ratification for the remuneration payable to M/s Joshi Apte and Associates, Cost Auditor for FY 2026-27 is included in the Notice convening the 65th Annual General Meeting.

36. Reporting of Fraud by Auditors:

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor nor the Cost Auditor has reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against the Company by its officers or employees, the details of which would need to be mentioned in this Report.

37. **Significant and material orders passed by the Regulators or Courts or Tribunals:**

During the FY 2025-26, on the application of the Company, the Hon’ble National Company Law Tribunal, Mumbai Bench, approved the scheme of arrangement between SKF India Limited (‘demerged company’) and SKF India (Industrial) Limited (‘resulting company’) and passed the order for approving the scheme of arrangement on 26th September, 2025.

Other than the above order, no other significant and material order(s) were passed by the Regulators or courts or tribunals.

38. **Particulars of Employees:**

The information required under Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms a part of the Annual Report as **Annexure – I**.

The statement containing names of the top 10 employees, in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members, excluding the aforesaid Annexure. In terms of Section 136 of the Act, the said Annexure is open for inspection and any member interested in obtaining a copy of the same may write to the Company Secretary at investorIndia@skf.com.

None of the employees listed under the said rules are related to any Director of the Company.

There were no instances of remuneration or commission received by a managing or whole-time director from the Company’s holding or subsidiary company during the relevant financial year requiring disclosure under section 197(14) of the Companies Act, 2013.

39. **Industrial Relations:**

The Company enjoys harmonious and healthy industrial relations due to its vibrant work culture and believes in a collaborative approach at work. This mutual trust and caring spirit helps in maintaining a harmonious environment across all business units. The enthusiasm and unstinting efforts of employees have enabled the Company to remain in the leadership position in the industry.

40. **Transfer of Equity Shares / Unpaid and Unclaimed Amounts to IEPF:**

Pursuant to the provisions of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) and subsequent amendment thereof, the amount of dividends, which remained unpaid or unclaimed for a period of seven years from the due date, is required to be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

During the Financial Year, the Company has accordingly transferred INR 24,98,628/- (Rupees Twenty-Four Lakhs Ninety-Eight Thousand Six Hundred and Twenty-Eight only) being the unpaid and unclaimed dividend amount pertaining to the year 2017-18 to the IEPF in September, 2025.

As per the IEPF Rules, all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority within a period of 30 days of such shares becoming due to be transferred to the IEPF. Accordingly, the Company has transferred all the shares pertaining to the year 2017-18 to the IEPF Authority in respect of which dividend has not been paid or claimed by shareholders for seven consecutive years or more after following the prescribed procedure.

Further amount due in respect of FY 2018-19 and shares where dividend had remained unpaid for the last 7 (seven) consecutive years will be transferred to the IEPF within the stipulated time period. The Company has sent individual notices to the concerned shareholders, whose shares and dividends are liable to be transferred to the IEPF Authority to their latest available addresses. The Company has also published necessary newspaper Advertisement and intimated to the Stock exchange such advertisements.

The Company has displayed full details of such shareholders, dividends, and shares on its website at https://cdn.skfmediahub.skf.com/api/public/09b336a976108445/pdf_preview_medium/Outstanding_Dividend_for_7_Consecutive_Years_from_2019_to_2025_pdf_preview_medium.pdf.

Shareholders are requested to verify the details of the shares liable to be transferred as aforesaid.

41. **Particulars of Loans, Guarantees or Investments:**

The particulars of loans given, investments made or guarantee/security provided are disclosed in the financial statements. No fresh loan was given during the financial year under report. The Company did not give any guarantee or provide any security in connection with any loan.

Please refer Note 6 of financial statements for investments under Section 186 of the Companies Act, 2013.

42. **Annual Return:**

Pursuant to the provisions of Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 a copy of the annual return of the Company for the Financial Year ended 31st March, 2026 has been placed on the website of the Company. The same can be accessed by any person through the below given weblink: https://www.skf.com/in/investors/skf-india-ltd/financial-results

43. **Policy on Prevention of Sexual Harassment at Workplace:**

At SKF India, we strive to create an environment where there is no discrimination between individuals at any point on the basis of race, colour, gender, religion, political opinion, national extraction, social origin, or age.

At SKF India Limited, every individual is expected to treat his/her colleagues with respect and dignity. This is enshrined in values and in the Code of Ethics & Conduct of the Company. The Company also has in place a Prevention of Sexual Harassment Policy. This is in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, and trainees) are covered under this policy.

The Company has complied with provisions relating to the constitution of the Internal Committee (IC) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to redress complaints received regarding sexual harassment. This has been widely communicated internally and is uploaded on the Company's intranet portal.

Internal committees comprising management staff across locations and an external member are in place. These include a majority women members to redress complaints relating to sexual harassment. The employees are sensitised from time to time in respect of matters connected with the prevention of sexual harassment. Awareness programmes are conducted at unit levels to sensitise the employees to uphold the dignity of their colleagues at the workplace. The Company conducted an e-learning programme for white-collar employees and in-person training for Blue Collar employees for all factory locations in the local language during calendar year to cover various aspects of the subject matter:

Below are details of the Complaints:

Sr. No.	Particulars	Remarks
1.	Number of complaints pending as on the beginning of FY 2025-26	0
2.	Number of complaints of sexual harassment received in the FY 2025-26	0
3.	Number of complaints disposed-off during the FY 2025-26	0
4.	Number of complaints pending for more than 90 days	0

ICC Committee details are provided in the Posh Policy The PoSH Policy is available on the website of the Company at:

https://cdn.skfmediahub.skf.com/api/public/09f6859e030abf49/pdf_preview_medium/SKF_India_Limited_Policy_on_Prevention_of_Sexual_Harassment_at_Workplace_pdf_preview_medium.pdf

44. **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**:

Pursuant to the provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 the details of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings, and Outgo, forms a part of the Annual Report as **Annexure - J**

45. **Explanation or Comments on Qualifications, Reservations or Adverse Remarks or Disclaimers made by the Statutory Auditors, and Secretarial Auditors**:

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors in the Audit Report on the Standalone and Consolidated Financial Statements for the Financial year ended 31st March, 2026.

Director's Report (Contd.)

The Report of Statutory & Secretarial Auditors for the Financial Year ended 31st March, 2026 is also un-modified.

46. Proceeding under Insolvency and Bankruptcy Code, 2016:

No application or any proceeding has been filed against the Company under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) (IBC Code) during FY 2025-26.

47. The details of the difference between the amount of the valuation done at the time of the one-time settlement and the valuation done while taking a loan from the banks or financial institutions, along with the reasons thereof:

During the year under review, the Company has not made any such settlement; therefore, the same is not applicable.

48. Code Of Conduct for Board and Senior Management:

The Company has adopted the Code of Conduct for the Directors and Senior Management and the same is available on the Company's website at:

https://cdn.skfmediahub.skf.com/api/public/0901d196809a6aba/pdf_preview_medium/0901d196809a6aba_pdf_preview_medium.pdf

All Directors and Senior Management personnel have affirmed their compliance with the said Code. A declaration pursuant to Regulation 26 (3) read with part D of the Schedule V of the SEBI LODR signed by the Managing Director to this effect forms part of the Annual Report as **Annexure – K**.

49. Disclosure under Maternity Benefit Act, 1961

The Company complied with the provisions of the Maternity Benefit Act, 1961, ensuring that eligible women employees receive their statutory entitlements. These benefits reflect your Company's commitment in creating a compliant, inclusive and supportive workplace that prioritises the health and well-being of expecting and new mothers.

50. Compliance with Secretarial Standards:

The Board of Directors, to the best of its knowledge, affirms that the Company has complied with the applicable Secretarial Standards (SS) issued by the ICSI (SS1 and SS2), respectively relating to Meetings of the Board and its Committees, and meeting of members which have mandatory application during the year under review.

51. Cautionary Statement:

Statements in this 'Director's Report' and 'Management Discussion and Analysis Report' describing the Company's objectives, projections, estimates, expectations, or predictions may be forward-looking statements within the meaning of applicable security laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include raw material/ fuel availability and its prices, cyclical demand and pricing in the Company's principal markets, changes in the Government regulations, tax regimes, economic developments, unforeseen situations like pandemic within the country in which your Company conducts business and other ancillary factors.

52. Acknowledgements:

The Directors express their deep sense of gratitude to the Principals, SKF Vertevo AB / SKF Group, customers, members, suppliers, employees, bankers, business partners/associates and all other stakeholders for their exemplary and valued contribution and look forward to their continued assistance in future.

For and on behalf of the Board
SKF India Limited

Gopal Subramanyam
Chairperson
& Independent Director
DIN: 06684319

Date: 13th May, 2026
Place: Pune

Annexure – A

MANAGEMENT DISCUSSION AND ANALYSIS

Global Economic Overview

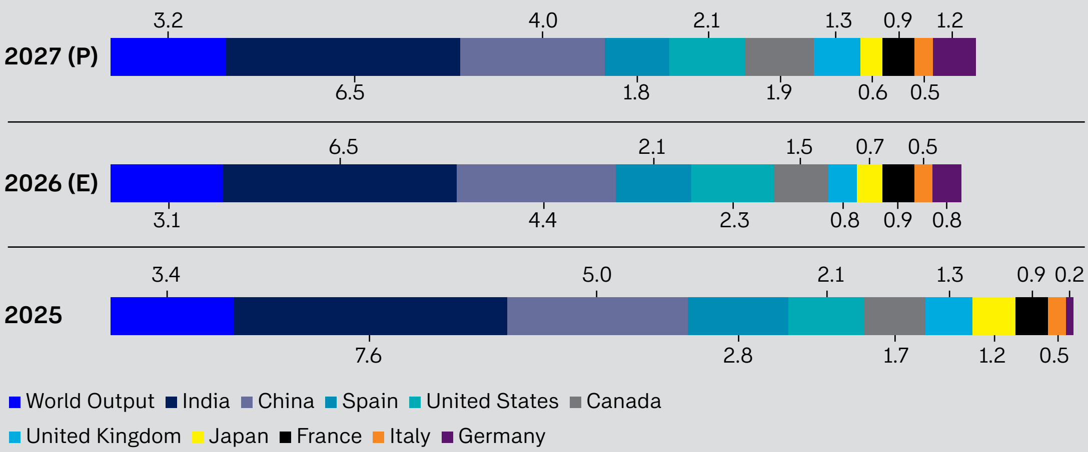
Global growth stood at 3.4% in 2025, with projections pointing to a slight moderation to 3.1% in 2026 before stabilising at 3.2% in 2027. Easing inflationary pressures, resilient private sector investments, and continued momentum in technology-led transformation underpin this phase of steady expansion, even as trade policy uncertainties and geopolitical developments continue to influence the global economic environment. Despite persistent challenges, growth remained relatively resilient, aided by supportive policy measures and sustained investment activity.

Geopolitical tensions continue to shape global trade and economic dynamics. The prolonged Russia–Ukraine conflict has continued to disrupt energy markets, commodity flows, and agricultural trade, particularly impacting Europe's energy landscape. In the Middle East, escalating tensions since late February 2026 disrupted shipping movements through the Strait of Hormuz and heightened concerns around other strategic trade corridors, including the Red Sea routes. At the same time, strategic rivalry between the United States and China has intensified through tariff measures, tighter technology restrictions, and competition for critical minerals, accelerating supply chain diversification through friendshoring and near-shoring strategies.

Beyond the major global powers, instability across several emerging markets added pressure on trade, investment, and capital flows. Sanctions, rising defence spending, and shifting geopolitical alliances reshaped global priorities and economic engagements. In response, businesses reassessed sourcing strategies, investment plans, and long-term geographic exposure with greater urgency. Simultaneously, the evolving geopolitical landscape is prompting economies to strengthen domestic manufacturing capabilities, accelerate clean energy transitions, expand electric mobility ecosystems, and invest in digital infrastructure, creating new pathways for medium-term growth.

Amid evolving global economic dynamics, easing inflation offered a measure of relief, with headline inflation standing at 4.1% in 2025 and projected to ease further to 3.4% by 2027, as softer commodity prices and improving supply conditions lend support. However, energy markets are expected to remain volatile due to geopolitical tensions, supply disruptions, and shifting demand patterns, keeping oil prices largely range-bound and creating periodic pressure on energy-importing economies such as India. While trade barriers, policy uncertainty, and geopolitical conflicts may continue to weigh on near-term sentiment, India stands to gain from ongoing global supply chain diversification and rising investments in manufacturing, electronics, clean energy, and digital infrastructure, consolidating its position as a key global manufacturing and growth hub over the medium term.

GDP Growth Projections (in %)



E: Estimated P: Projected

(Source: IMF World Economic Outlook, April 2025)

Note: India's data is on fiscal year basis (FY 2026 shown under 2025).

Outlook

While the geopolitical volatility in the Middle East undoubtedly introduces significant risks to the global energy supply chain, it also serves as a rigorous stress test that is forcing a necessary evolution in economic resilience. In the short term, the pressure on oil & gas prices will continue to create a challenging inflationary environment that demands disciplined fiscal management and careful navigation from central banks to protect consumer purchasing power. However, geopolitical tensions, supply disruptions, and shifting demand patterns are likely to keep energy markets volatile, holding oil prices largely range-bound and creating periodic pressure on energy-importing economies such as India. By addressing the fragilities of the Strait of Hormuz and other maritime chokepoints now, the international community is moving towards a more decentralised and transparent trade model. This transition requires a difficult balancing act, maintaining price stability today while investing in the infrastructure of tomorrow, but it ultimately paves the way for a global economy that is more grounded, self-sufficient and capable of sustaining growth despite the complexities of a shifting geopolitical landscape.

(Source: https://www.imf.org/-/media/files/publications/weo/2026/april/english/text.pdf)

Indian Economic Overview

Even as the global economy navigates geopolitical uncertainty, trade fragmentation, and volatility arising from the Middle East conflict, India continues to demonstrate strong economic resilience. As highlighted in the Economic Survey FY 2025-26, India's GDP was recorded at 7.7%, reinforcing its position as the world's fastest-growing major economy for the fourth consecutive time. Growth remained supported by robust domestic demand, with private consumption accounting for 61.5% of GDP as per the First Advance Estimates, aided by moderating inflation, stable employment conditions, improving real incomes, and resilient rural demand supported by strong agricultural performance.

Investment momentum in India remains strong, with Gross Fixed Capital Formation at nearly 30% of GDP, supported by sustained public capital expenditure, infrastructure expansion, and improving private sector confidence. Although the ongoing Middle East crisis and disruptions in global oil & gas supply chains continue to pose risks through elevated energy prices, inflationary pressures, and higher logistics costs, India's robust macroeconomic fundamentals, fiscal discipline, expanding manufacturing base, and accelerating investments in digital and clean energy infrastructure position the economy favourably for sustained medium-term growth.

Consumption patterns are also evolving, with spending increasingly shifting towards discretionary categories such as consumer durables, housing, travel, and digital services, creating a virtuous cycle of demand, investment, and output that strengthens the economy's resilience against global volatility. With inflation expected to remain benign, and CPI is projected at 4.6% for FY 2025-26, the RBI has adopted a calibrated monetary stance, maintaining the repo rate at 5.25% following a series of rate cuts during 2025. The resulting lower cost of capital is expected to support credit growth, further boosting consumption and investment activity. Additionally, the proposed overhaul of the GST framework, the most significant since its implementation, is likely to enhance consumer affordability and stimulate demand across sectors such as automotive, electronics, and construction.

Agriculture and Allied Sectors

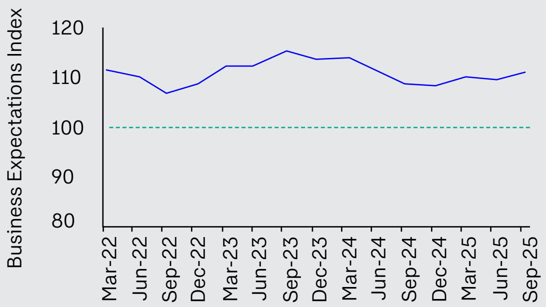
Agriculture and allied sectors grew by an estimated 3.1% in FY 2025-26, as favourable monsoon conditions and steady performance in allied activities such as livestock and fisheries supported growth. The increasing contribution of these relatively stable segments supported overall agricultural resilience despite periodic variability in crop output.

Industry

The industrial sector grew by an estimated 6.2% in FY 2025-26. Manufacturing growth reached 8.4% in the first half of the year, contributing to overall industrial growth. Construction activity, a key component of the industrial sector, remains supported by sustained public capital expenditure and ongoing infrastructure investments. Strong demand for materials such as steel and cement reflects continued momentum in infrastructure and real estate development. At the same time, medium- and high-technology industries account for 46.3% of India's total manufacturing value added, highlighting the sector's increasing shift towards more advanced and value-driven manufacturing capabilities. Notably, India's industrial momentum has remained resilient despite short-term stress in the oil and gas sector. Declines in crude oil and natural gas output, along with moderation in electricity generation, weighed on infrastructure output during parts of the year. However, strong growth in sectors such as steel, cement, automobiles and infrastructure-linked manufacturing helped offset these pressures. Continued public investments, domestic demand resilience and government-led initiatives such as Production Linked Incentive (PLI) schemes have supported industrial activity and strengthened manufacturing competitiveness. The sustained expansion in construction goods and infrastructure-linked industries highlights the broader structural strength of the Indian industrial economy, even amid global geopolitical uncertainties and energy market volatility.

Business Expectation Index

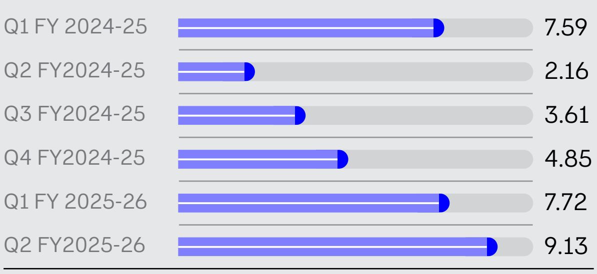
Optimism about prospects continues to remain high



(Source: Business Expectations Index (BEI) (RBI Industrial Outlook Survey of the Manufacturing Sector: Q2 FY26). Note: BEI >100-optimism; BEI<100-pessimism.

Sustained Momentum in Real Manufacturing GVA Growth (Y-o-Y)

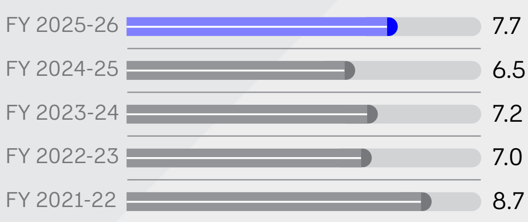
Growth (%)



(Source: National Accounts Statistics, MoSPI)

GDP Growth Rate

(in %)



E: Estimated

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1&reg=3&utm_)

Services

The services sector grew by an estimated 9.1% in FY 2025-26, reflecting expansion across service segments and reinforcing its contribution to overall economic growth. The services sector continues to deepen its contribution to India's economy, with its share in GDP rising from a pre-covid average of 51.3% during FY 2015-16 to FY 2019-20 to 53.6% in H1 FY 2025-26. Sustained expansion in trade, hospitality, transport, communication and broadcasting services led this growth, complemented by steady momentum in financial, real estate and professional services. The increasing share underscores the resilience of India's consumption-driven economy and the growing importance of services as a key engine of economic growth.

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1&reg=3&utm_)

Outlook

Looking ahead, real GDP growth for FY 2026-27 is expected at 6.8-7.2%, broadly aligned with India's estimated potential growth rate of around 7%. Domestic demand, supported by improving investment intentions, healthier balance sheets across households and firms, and continued public infrastructure spending, is projected to remain the primary growth driver.

However, global uncertainties, including slower growth among key trading partners, trade policy shifts and financial market volatility, may intermittently affect exports and investor sentiment. Ongoing trade negotiations with major partners, including the United States, could help reduce external uncertainties over time. The macroeconomic outlook remains broadly positive, supported by stable inflation dynamics, sound fiscal management, strengthening financial institutions and continued structural reforms. As firms and households adapt to evolving policy changes and global conditions, India appears well-placed to sustain its growth momentum while maintaining resilience against external shocks.

(Source: https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912&lang=1&reg=3&utm_)

Indian Automotive Industry Overview

India's automotive sector stands as a key pillar of the country's manufacturing economy, supported by rising domestic mobility needs, infrastructure-led freight demand, increasing urbanisation, and deeper integration into global automotive supply chains. The industry produced approximately 34.7 Million vehicles in FY 2025-26, reinforcing India's position among the world's largest automotive manufacturing hubs. Contributing nearly 7.1% to the national GDP and close to half of manufacturing GDP, the sector remains central to industrial growth, employment generation, exports, and overall economic momentum.

Despite periodic volatility arising from geopolitical tensions, global trade disruptions, supply chain realignments, and tariff uncertainties, the medium-term outlook for the Indian automotive industry remains structurally strong. Rising income levels, improving affordability, expanding financing access, and sustained investments in infrastructure and logistics continue to underpin domestic demand. At the same time, India is increasingly emerging as a preferred global manufacturing and export base for automotive OEMs.

Reflecting this momentum, India's automobile exports reached a record

6.64 Million units in FY 2025-26, registering robust growth of 24%, the fastest in the last seven years, as strong demand for passenger vehicles and two-wheelers across global markets fuelled the expansion.

The Passenger Vehicle segment recorded its highest-ever sales of 4.64 Million units in FY 2025-26, growing 7.9% over the previous year. GST rationalisation, personal income tax relief measures, lower financing costs following successive RBI repo rate cuts, and improving consumer sentiment collectively propelled this growth. The segment also achieved record exports of 0.90 Million units, registering growth of 17.5%, with sustained demand from markets across the Middle East, Africa, and Latin America.

The Two-Wheeler segment surpassed its previous peak to achieve record sales of 21.7 Million units, reflecting growth of 10.7% during the year. Improving urban consumption, rising discretionary spending, favourable policy support through GST 2.0 implementation, and increasing electric vehicle adoption drove demand. Export performance remained equally strong, with two-wheeler exports reaching a record 5.18 Million units, up 23.4% over FY 2024-25. Expanding product portfolios, improving global acceptance of Indian brands, robust product quality, and currency advantages further strengthened export competitiveness.

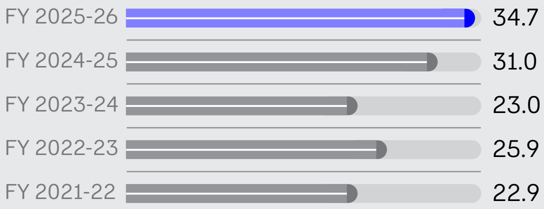
The Three-Wheeler segment also delivered record performance, with sales reaching 0.83 Million units, reflecting growth of 12.8% over the previous year. Rising economic activity, increasing urban and semi-urban mobility requirements, and higher movement of passengers and goods supported demand growth. Expansion of electric autorickshaws and the issuance of new ICE vehicle permits by select state governments further aided the segment. Strong demand from Sri Lanka and African markets drove export growth of 50.1% to approximately 0.46 Million units.

Similarly, the Commercial Vehicle segment achieved its highest-ever sales of 1.08 Million units in FY 2025-26, registering growth of 12.6% over the previous year. Strong freight demand, lower financing costs due to repo rate reductions, implementation of GST 2.0 reforms, and sustained public capital expenditure towards infrastructure development continued to support growth in the segment. Commercial vehicle exports also rose by 17.4% to 0.095 Million units, with neighbouring countries and the Middle East remaining key export markets.

Beyond cyclical volume growth, the automotive sector is also witnessing a structural shift towards higher efficiency, reliability, safety, and technological sophistication. Bearings continue to play a mission-critical role across engines, transmissions, wheel assemblies, and emerging electric drivetrains, directly influencing vehicle durability, energy efficiency, noise reduction, and operational performance. As electrification accelerates and performance standards continue to rise, demand for high-precision, technologically advanced bearing solutions is expected to strengthen further. This increasing technological intensity, combined with India's expanding automotive manufacturing scale and export competitiveness, continues to provide strong long-term demand visibility for the bearings ecosystem.

Automobile Production in India

(in Million)

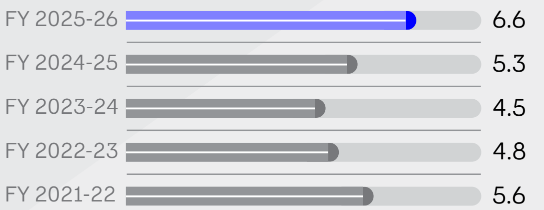


Automobile Sales in India

(in Million)

India's Automobile Exports

(in Million)



Segment-wise sales of automobiles in India from FY 2021-22 to FY 2025-26 *(in Million)*

Segment	FY 2025-26	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22
Two-Wheelers	21.70	19.60	17.97	15.86	13.57
Passenger Vehicles	4.64	4.30	4.21	3.89	3.07
Commercial Vehicles	1.08	0.95	0.97	0.96	0.72
Three-Wheelers	0.83	0.74	0.69	0.49	0.26

Outlook

Building on the strong momentum witnessed during the second half of FY 2025-26, the industry remains optimistic about sustained growth across all vehicle categories in FY 2026-27. However, uncertainties arising from the ongoing West Asia conflict, including volatility in crude oil and commodity prices, currency fluctuations, and disruptions in global shipping routes, continue to pose near-term risks for the sector. A stable geopolitical environment and easing supply chain pressures would be critical in strengthening industry confidence and supporting continued growth momentum for the Indian automotive sector.

(Sources: https://www.siam.in/news-&-updates/press-releases/auto-industry-performance-of-q4-jan--march-2026-fy-2025-26/605
https://www.acma.in/uploads/publication/research-studies/acma-report-sep-25.pdf)

Indian Automotive Aftermarket Industry

The Indian automotive aftermarket industry remains structurally attractive and relatively resilient across economic cycles, supported by an expanding vehicle parc, increasing average vehicle age and rising vehicle utilisation across segments. Sustained demand for replacement parts, lubricants, tyres and precision automotive components across Passenger Vehicles, Two-Wheelers, Commercial Vehicles and Electric Vehicles continues to support long-term industry growth.

The sector is also witnessing gradual formalisation, with organised service networks

Indian Automotive Bearing Industry Landscape

The Indian bearings market is recording strong growth momentum, supported by expanding industrialisation, automotive demand, and increasing localisation of manufacturing. The market was valued at around USD 5.2 Billion in 2025 and is expected to grow to nearly USD 12.0 Billion by 2034, reflecting a robust CAGR of around 9.7% during 2026-2034. Rising automotive production, increasing industrial automation, infrastructure development, and the growing need for energy-efficient machinery across sectors are driving this growth. The rapid adoption of electric vehicles, advancements in precision engineering, and evolving manufacturing technologies are further strengthening demand for high-performance bearing solutions. At the same time, Government initiatives aimed at strengthening India's automotive and manufacturing ecosystem are expected to create significant long-term opportunities for the Indian bearings industry. Schemes such as the Production Linked Incentive (PLI) programme for automobiles and auto components, PM E-Drive, the Advanced Chemistry Cell (ACC) battery initiative, the National Logistics Policy, and the Semicon India programme are accelerating investments across electric vehicles, advanced mobility solutions, domestic manufacturing, and supply chain infrastructure. These initiatives are anticipated to drive higher vehicle production across Passenger Vehicles, Two-Wheelers, Commercial Vehicles, And Electric Mobility segments, increasing demand for high-performance and precision-engineered bearings.

The shift towards localisation and import substitution under these programmes is also encouraging domestic manufacturing of critical automotive components, including bearings, reducing dependence on imports and strengthening India's position within global supply chains. In addition, expanding investments in logistics infrastructure, railways, industrial equipment, renewable energy, and electric drivetrains are widening the application scope for bearings beyond conventional automotive demand. As vehicles become more technologically advanced and electrification gathers pace, the need for specialised, energy-efficient, and high-durability bearing solutions is set to rise further, creating sustained growth opportunities for technologically advanced bearing manufacturers in India.

(Source: https://www.imarcgroup.com/india-bearings-market)

and distribution channels gaining deeper penetration. Consumers are increasingly preferring branded, quality-assured components and organised workshops, while digital integration across spare parts procurement and service workflows is improving accessibility, efficiency and customer experience. Growing localisation and technology-enabled servicing platforms are further strengthening the long-term growth outlook for the auto component and bearings industry.

Beyond revenue contribution, the aftermarket business holds strategic importance for industry participants by providing greater stability during periods of moderation in original equipment demand. The segment also supports stronger customer engagement, enhances brand visibility and offers opportunities for relatively stable, value-added margins through service-led offerings and lifecycle support solutions.

Technology Trends and EV-Led Opportunity

Technology trends and the accelerating adoption of alternative mobility solutions are reshaping India's automotive landscape at an unprecedented pace. In FY 2025-26, nearly one in every four passenger vehicles sold in India was powered by either CNG or electric technology, with combined sales reaching approximately 1.23 Million units and accounting for 26% of the overall passenger vehicle market, up from 22% in the previous year. When hybrid vehicles are included, the share of alternative powertrains rose to over one-third of the market, reflecting a decisive shift towards cleaner and more efficient mobility solutions.

CNG vehicles continue to drive current industry volumes, supported by lower running costs and increasing availability across mass-market models. CNG-powered passenger vehicles accounted for 21.98% of retail sales in FY 2025-26, compared to 19.60% in FY 2024-25, translating into volumes of nearly 10.3 Lakh units during the year. At the same time, EV adoption is accelerating rapidly from a smaller base, reflecting the growing shift towards cleaner and technology-driven mobility solutions. India's electric vehicle (EV) market delivered another strong year in FY 2025-26, with total registrations crossing 2.5 Million units, representing a 24% year-on-year increase. EV penetration also improved to approximately 8.5% of total vehicle registrations, up from 7.7% in the previous financial year. While the pace of adoption continues to strengthen steadily, the market remains at an early-stage relative to the Government's long-term target of achieving 30% EV penetration by FY 2029-30.

This accelerating transition towards electric mobility is increasingly influencing bearing design, materials and application requirements across both global and domestic automotive markets. EVs place greater emphasis on low-friction, high-speed and noise-optimised bearings, particularly for electric drivetrains and wheel-end applications, as manufacturers focus on improving efficiency, driving range and overall vehicle performance. While EV penetration remains gradual in several segments, the transition represents a structural rather than cyclical shift, requiring sustained investments in engineering, testing and application-specific solutions. Beyond electrification, broader technology trends such as lightweighting, efficiency enhancement and predictive maintenance are also reshaping demand across the bearing industry. OEMs are increasingly prioritising precision-engineered solutions that improve vehicle efficiency, support durability and reduce total cost of ownership. These evolving requirements are reinforcing the importance of advanced manufacturing capabilities, material innovation and deep application expertise across the automotive value chain.

Regulatory Transition Reshaping Automotive Technologies

India's automotive industry is preparing for the next phase of emission and fuel-efficiency regulations through the proposed implementation of BS VII norms and tighter Corporate Average Fuel Efficiency (CAFÉ) standards. While BS VII regulations are expected to further reduce vehicular emissions through stricter pollutant control and real-world driving emission requirements, CAFÉ norms are compelling OEMs to improve fleet-level fuel efficiency and reduce carbon emissions across vehicle portfolios.

These evolving regulations are accelerating the adoption of lightweight materials, low-friction systems, hybrid technologies and electrified powertrains across the automotive ecosystem. For component manufacturers, the transition is increasing demand for precision-engineered, energy-efficient and application-specific solutions that support higher operating speeds, improved thermal performance and lower energy losses. The regulatory push towards cleaner and more efficient mobility is therefore expected to drive sustained technology upgradation across both conventional and electric vehicle platforms.

Outlook

The outlook for the Indian automotive bearings industry in FY 2026-27 remains positive, supported by steady growth across Passenger Vehicles, Two-Wheelers and Commercial Vehicles. Demand momentum is expected to be driven by improving domestic consumption, continued infrastructure activity, rural recovery and sustained mobility requirements across segments. Given their critical application across engines, transmissions, drivetrains and wheel systems, bearing demand is expected to remain closely aligned with overall automotive production trends and evolving vehicle technologies.

In addition to OEM demand, the automotive aftermarket segment is expected to remain a key growth driver for the bearings industry, supported by India's expanding vehicle parc, ageing vehicles and increasing replacement requirements. Rising vehicle utilisation, growth in organised aftermarket channels and increasing preference for high-performance and branded components are expected to support steady replacement demand across Passenger Vehicles, Commercial Vehicles and Two-Wheelers. At the same time, the increasing adoption of CNG, hybrid and electric vehicles is expected to create additional opportunities for advanced and application-specific bearing solutions.

Structural Growth Drivers

Rising Vehicle Production and Ownership

India's automotive industry continues to witness strong growth in vehicle production and ownership, supported by rapid urbanisation, rising income levels, infrastructure development and increasing mobility requirements across urban and semi-urban markets. In FY 2025-26, India's automobile industry recorded its highest-ever wholesale volumes, with overall vehicle sales crossing 28 Million units, while passenger vehicle sales reached a record level of 4.64 Million units. The sustained expansion of the vehicle parc continues to support long-term demand for automotive components, including bearings, across OEM and replacement markets.

Electrification and Technology Shifts

The gradual transition towards electric mobility is creating demand for specialised bearing solutions designed for higher efficiency, reduced friction and enhanced precision. India's EV registrations crossed 2.5 Million units in FY 2025-26, reflecting continued momentum across Two-Wheelers, Three-Wheelers and Passenger Vehicles. At the same time, evolving regulatory frameworks such as BS VII and CAFÉ norms are accelerating the adoption of lightweight, energy-efficient and technologically advanced automotive systems, prompting manufacturers to strengthen engineering and application-specific capabilities.

Aftermarket Expansion

India's expanding and ageing vehicle population continues to generate strong replacement demand across automotive categories. The organised automotive aftermarket remains an important contributor to industry growth, supported by rising vehicle utilisation, increasing preference for branded components and growth in service and maintenance networks. Industry estimates indicate that the Indian automotive aftermarket has continued to witness healthy growth momentum, driven by higher vehicle ownership and increasing demand from hinterland and semi-urban markets.

Export and Localisation Opportunities

India is consolidating its position as a global automotive manufacturing and export hub, supported by strong export growth and policy-led localisation initiatives. Auto component exports have crossed USD 22.9 Billion in recent years, while Government initiatives such as the INR 259.38 Billion Production Linked Incentive (PLI) scheme for the automobile and auto component industry are accelerating domestic manufacturing of advanced automotive technologies. The scheme mandates a minimum 50% domestic value addition (DVA) for eligibility, encouraging localisation across critical automotive components and systems.

Company Overview

SKF India Limited (also referred to as 'SKF', SKF India', or 'the Company') is a global engineering company serving both industrial and automotive sectors globally. Its portfolio includes bearings, seals, lubrication systems, mechatronics, and reliability solutions, among others used across diverse applications.

SKF India Limited operates as part of the SKF Group and represents the Group's automotive business in India. Historically, the Company served both automotive and industrial applications. During FY 2025-26, the automotive and industrial businesses were demerged into separate entities. Following this separation, SKF India Limited now focuses exclusively on the automotive segment.

The Company delivers high-precision engineering solutions that enhance vehicle performance, safety, efficiency and reliability across both OEM and aftermarket channels. Backed by the technological expertise and global legacy of the SKF Group, SKF India has built a strong presence through advanced manufacturing capabilities, a well-established distribution network and long-standing customer relationships.

The Company aligns its product development and operational capabilities with evolving mobility trends, including electrification, advanced vehicle technologies and sustainability priorities. By combining global innovation with strong local execution, SKF India remains well-positioned to support India's automotive ecosystem while driving long-term value creation.

Financial Overview

SKF India's standalone Revenue from Operations for FY 2025-26 stood at INR 21,295.9 Million compared to INR 18,453.4 Million (from continuing operations) in the previous year. Profit After Tax (PAT) for the year ended 31st March, 2026, decreased from INR 2,633.2 Million in FY 2024-25 to INR 1,172.2 Million in FY 2025-26.

Statement of Profit and Loss (INR Million)

Income

Particulars	FY 2024-25	FY 2025-26
Revenue from Operations	18,453.4	21,295.9
Other Income	306.5	770.5
Total Income	18,759.9	22,066.4

Expenses

Particulars	FY 2024-25	FY 2025-26
Cost of Materials Consumed	8493.4	8,527.2
Purchases of Stock-in-Trade	596.2	2,599.3
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(729.6)	316.2
Employee Benefit Expense	1865.4	1,734.0
Finance Costs	0	1.7
Depreciation and Amortisation Expense	527.2	630.2
Other Expenses	4455.8	5,636.8
Total Expenses	15,208	19,445.4

Profitability (from continuing operations)

Particulars	FY 2024-25	FY 2025-26
Profit Before Tax (from continuing operations)	3551.5	2,621.0
Exceptional Item	0	271.0
Profit after Exceptional Item	3,551.5	2,350.0
Total taxes	918.3	1,177.8
Profit for the Year	2,633.2	1,172.2

Key Ratios

Particulars	FY 2024-25	FY 2025-26	% Change	Reason for Change
Debtors' Turnover (Times)	2.3	2.7	17%	NA
Inventory Turnover (Times)	1.1	1.9	73%	NA
Interest Coverage Ratio (Times)	0.00	1,914	0.00	NA
Current Ratio (Times)	2.8	2.1	(25%)	NA
Debt-to-Equity Ratio (Times)	0.0	0.0	0.0	NA
Operating Profit Margin (%)	22%	15%	(31%)	NA
Net Profit Margin (%)	14%	6%	(61%)	NA
Return on Net Worth (%)	10.14%	8.82%	(13%)	NA

**As a result of Scheme of Demerger (refer note 39) becoming effective, the assets and liabilities presented as at 31st March, 2026, reflect the impact of the Scheme and are accordingly not comparable with those as at 31st March, 2026. Hence, ratios are not comparable.*

Disclosure of Accounting Treatment

Where in the preparation of the financial statements, a treatment different from that prescribed by an Accounting Standard has been adopted, such departure should be clearly disclosed. The disclosure should specify the nature of the deviation and include management's rationale for considering the alternative treatment to provide a more accurate and true-and-fair representation of the underlying business transaction.

Risk Management

SKF India follows a structured Enterprise Risk Management (ERM) framework aligned with the global best practices of the SKF Group. The framework is designed to ensure that risk assessment and mitigation are integrated into strategic planning, operational decision-making, and governance processes.

Comprehensive Risk Identification and Assessment

Risk assessments are conducted to identify, evaluate and prioritise risks spanning financial, operational, regulatory, technological, environmental, and human resources, providing a holistic view of potential exposures.

Risk Consolidation and Governance Oversight

Identified risks are consolidated by designated business and functional representatives and reviewed periodically by senior management. The consolidated risk assessment is presented to the Risk Management Committee to provide oversight.

Integration with Strategy and Execution

Insights from risk assessments are incorporated into strategy development and operational planning to ensure informed decision-making at every level. Designated risk owners are responsible for implementing mitigation measures, monitoring emerging risks and ensuring timely follow-up.

Transparency and Stakeholder Communication

The Company maintains transparency through periodic internal reviews and external disclosures. A summary of key risks, mitigation priorities, and governance processes is shared annually with stakeholders, providing visibility into the Company's risk oversight framework.

Key Risks and Mitigation Strategy

Risk Type	Impact	Measures
Geopolitical and Supply Chain Tensions	Global disruptions, trade restrictions, and regional instability may affect supply chain continuity and input cost stability.	SKF India is strengthening localisation initiatives, enhancing dual sourcing strategies and optimising inventory management. Increased deployment of digital supply chain solutions and a more regionalised operational model are improving agility and responsiveness.
Information Security and Cybersecurity	As digitalisation accelerates, exposure to cybersecurity threats and data protection requirements has increased.	SKF India continues to invest in IT security infrastructure, employee awareness programmes, and periodic security audits, aligned with Group-wide data protection standards to safeguard operational continuity.

Risk Type	Impact	Measures
Climate and Environmental Impact	Climate change, water scarcity, and evolving environmental regulations present both operational and reputational risks.	The Company is advancing its sustainability agenda through water neutrality initiatives, decarbonisation targets, renewable energy adoption, and climate scenario risk assessments, ensuring preparedness for future regulatory and environmental challenges.
Talent and Leadership Risks	Access to skilled talent in critical domains remains essential for sustaining innovation and operational excellence.	Focused initiatives in leadership development, employee engagement, diversity and inclusion, and strategic talent acquisition support capability building and succession planning.
Cost Volatility	Fluctuations in raw material prices, energy costs, and logistics expenses may impact profitability and operational planning.	Pricing strategies, productivity improvement, cost optimisation programmes, and flexible sourcing models are deployed to manage cost pressures.
Technological Change and Innovation Pace	Rapid advancements and evolving business models require continuous innovation to remain relevant.	The Company leverages SKF Group's Technology Radar, open innovation platforms, and sustained R&D investments to accelerate innovation, strengthen product development, and remain aligned with emerging customer needs.
Digitalisation and IT Modernisation	Growing expectations for seamless customer experiences and integrated digital operations are accelerating digital transformation initiatives.	Strategic investments in digital capabilities, IT landscape simplification, and targeted hiring of digital talent are enhancing operational efficiency and enabling data-driven decision-making.
Manufacturing Footprint and Localisation	Shifting global economic dynamics and the increasing emphasis on supply chain resilience make localisation a strategic priority.	The Company continues to refine its manufacturing strategy through process improvements, regional supplier development, scalable production technologies, and localisation initiatives that support long-term competitiveness.

Human Resources Review

At SKF India, people are viewed as a critical enabler of long-term value creation. The Company prioritises building a workplace where diversity, inclusion and equal opportunity support innovation, collaboration and sustainable growth. The 'People Strategy' is centred on strengthening leadership capabilities, preparing the future workforce and enhancing the overall employee experience, enabling the organisation to remain agile in an evolving business environment.

During the year, investments in learning and development remained a key priority, with focused initiatives aimed at aligning employee capabilities with evolving technological, leadership and business requirements. The Company strengthened its talent pipeline through programmes such as the Leadership Accelerator Programme for key talents, Leadership Development initiatives for mid and senior leaders, New Manager Assimilation and the Manage-Lead-Coach programme. In addition, AI awareness training sessions and external role-based learning interventions, including programmes on strategic business planning, were conducted to build future-ready capabilities across the organisation. Competitive rewards, comprehensive benefits and structured well-being initiatives continued to foster a supportive environment where employees feel motivated to grow and contribute meaningfully.

SKF India employed 275 individuals (including workers) in FY 2025-26, with women accounting for 35% of new hires, reflecting progress towards a more balanced workforce.

Digital Transformation and IT Enablement

Digital transformation continues to play a pivotal role in strengthening SKF India's competitiveness, enabling faster responses to evolving customer expectations, operational complexities, and market dynamics. As businesses increasingly rely on data, connectivity, automation, and AI, SKF India is embedding digital capabilities across its value chain from product development and manufacturing to customer engagement and supply chain management to enhance agility, efficiency, and decision-making.

A key milestone during the year was the transition to the SAP S/4HANA ERP platform, which unifies processes across functions and geographies, improves data transparency, and enhances operational visibility. Alongside this, continued collaboration with SKF's global IT ecosystem is accelerating the adoption of advanced digital tools, including AI-powered analytics and automation solutions that improve oversight, streamline operations, and foster data-driven management practices.

Looking ahead, SKF India remains focused on leveraging Industry 4.0 technologies, AI-driven insights, advanced analytics, and digital supply chain initiatives to boost manufacturing productivity and customer responsiveness. Continued investment in digital infrastructure, including scalable AI platforms and intelligent automation is intended to support operational efficiency, system scalability, and long-term execution capability.

Internal Control Systems and Their Adequacy

SKF India maintains an internal control framework aligned with the scale and nature of its operations to ensure reliable financial reporting, operational efficiency and regulatory compliance. These systems are embedded within business processes and are subject to periodic review to assess their adequacy and effectiveness. As part of the SKF Group, SKF India follows the SKF Internal Control Standards (SICS), a customised global control framework applicable across all SKF entities. Standard operating procedures across business functions incorporate SICS requirements, including compensating controls, minimising deviations and managing exceptions.

During the year, the Company reviewed its Internal Financial Control (IFC) framework with a focus on enhancing consistency and effectiveness. The Internal Control team conducts regular control adequacy testing, while the Internal Audit function performs independent process audits, supported by specialised external firms. Observations and improvement areas identified through these reviews are documented, and corrective actions are implemented and monitored by the Audit Committee.

The Company operates a three-line defence model comprising operational management, the internal control function and internal audit, providing layered oversight across processes. The Audit Committee reviews internal audit findings, statutory audit observations, management responses to them and engages periodically with statutory auditors to evaluate the overall effectiveness of the control framework.

Based on these evaluations, the Committee concluded that, as of 31st March, 2026, the Company's Internal Financial Controls were adequate and operating effectively. The Company also complied with the requirements of Section 134(5)(e) of the Companies Act, 2013, relating to the establishment of an effective internal financial control framework in support of the Directors' Responsibility Statement.

Systems are reviewed continuously, with significant observations, management responses and implementation status reported to and monitored by the Audit Committee.

Cautionary Statement

Statements in this report on Management Discussion and Analysis, describing the Company's objectives, projections, estimates, expectations, or predictions may be forward-looking statements within the meaning of applicable laws and regulations. These statements are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied since the Company's operations are influenced by many external and internal factors beyond its control. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, based on any subsequent developments, information, or events. Readers are cautioned that the risks outlined here are not exhaustive. Readers are requested to exercise their judgment in assessing the risks associated with the Company.

ANNEXURE – B

Corporate Governance Report 2025-26

1. **A brief statement on listed entity's philosophy on code of governance**.

SKF India Limited ('SKF India' or 'the Company') follows the SKF Group of building sustainable businesses that are rooted in the community and demonstrate care for the environment and has inherited a strong legacy of fair and transparent ethical governance. Strong leadership and effective corporate governance practices have been SKF's hallmark inherited from the SKF Group culture and ethos. Over the decades, SKF has consistently demonstrated a very principled conduct and has earned its reputation for trust and integrity while building a highly successful global business.

The company's core values are: High Ethics, Integrity, Empowerment, Openness, Excellence, Learning and Sharing and Team Work.

To understand what our values mean, we need to interpret them with our purpose.

Together we....

Collabortion: the essence of **effective and human teamwork** - a bond that enables the SKF Community, no matter where we come from, to achieve progress together.... *...re-imagine*	**Curiosity:** is the entrepreneurial spirit that keeps us open-minded, asking questions and making us eager to learn. It is vital to **re-imagine rotation** and **create the intelligent and clean solutions the world needs.** *and we **can** re-imagine rotation for the world...*
Courage: this is the tenacious mindset that enables us to **step up, dare to win without fear of failure,** and drive action for the greater good of SKF, our customers, the world around us, and ultimately a **better tomorrow**..... *...for a better tomorrow.*	**Care:** this value represents the **warmth, passion, and commitment** that differentiates SKF from others in the industry. Empathy, reliability, and ethical practice that is rooted in doing what is right for people and the planet. It highlights the increasing importance of personal and emotional aspects of organisational life, and it ties in with existing SKF initiatives **(SKF Care)**

SKF India has strengthened our industry leadership on the sturdy pillar of our corporate governance philosophy. Our governance framework enshrines the highest standards of ethical and responsible conduct of business to create lasting stakeholder value. Our governance framework and philosophy are inspired by our ethics, values and culture of professionalism. We emulate the 'best practices' that are adhered to in the realm of corporate governance globally, and these practices are integrated into our growth strategy.

The Board has laid down two separate Codes of Conduct ('CoC'), one for the Board Members and Senior Management and other for Employees of the Company, the same is posted on the Company's website. All the Board Members and Senior Management Personnel affirm compliance with these CoC annually. Further, a code of conduct is included in the appointment letter which is signed by all employees at the time of joining. A CoC commitment is taken from all employees periodically besides continuous training & awareness initiatives implemented around it. In order to embed this in the culture of the organisation, a strong Compliance Programme has been adopted. The organization is driving a culture of openness & fearlessness through various workshops or programs and, by implementing a clear Anti-Retaliation Policy.

Across our day-to-day operations, we confirm to complete transparency and accountability to protect stakeholder interests. Our governance framework drives optimal utilisation of resources and accountability for stewardship. The Board remains the custodian of trust and acknowledges its responsibilities towards our growing stakeholder fraternity for sustainable long-term wealth creation.

The Company is in compliance with the requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') amended from time to time, read with latest circulars issued by SEBI with regard to corporate governance.

1.1 Group Structure:

SKF India Limited is an affiliate of the Sweden-based SKF Group, which was founded in 1907. SKF serves presently nearly all industries, including automotive, aerospace, railways, renewable energy, medical, food & beverage etc.

SKF's mission is to be the undisputed leader in the bearings business by offering solutions that reduce friction and CO2 emissions, whilst at the same time increasing machine uptime and performance. Our products and services around the rotating shaft include bearings, seals, lubrication management, artificial intelligence and wireless condition monitoring. SKF works to reduce friction, make things run faster, longer, cleaner and more safely. By doing this in the most effective, productive and sustainable way SKF contributes to its vision of a world of reliable rotation. SKF works with its customers at every stage in their asset life cycle, providing solutions from design right through to maintenance and back to design upgrades. The Company's business runs across different industry verticals, geographical markets and is global in nature.

1.2 Change in Promoter:

SKF (UK) Ltd and SKF Forvaltning were holding 31,29,581 Equity Shares (6.33%) and 19,64,23 Equity Shares (0.4 %) respectively in SKF India Limited, **same were transferred to Aktiebolaget SKF ('AB SKF') on 1st October, 2025. Post which AB SKF holds 2,59,92,059 Equity Shares (52.58%). Necessary pre and post compliances were done within prescribed timelines.**

On 22nd December, 2025 AB SKF holds 2,59,92,059 Equity Shares (52.58%) transferred its entire holding to SKF Interim which is a wholly-owned subsidiary of AB SKF.

As on **22nd December, 2025, SKF Interim AB (now known as SKF Vertevo AB) holds 2,59,92,059 Equity shares (52.58%) and continues as on 31st March, 2026. Necessary pre and post compliances were done within prescribed timelines.**

The aforesaid disclosures are available on the Company's website at https://www.skf.com/in/investors/skf-india-ltd/shareholder-information

1.3 Governance Structure:

The corporate governance standards established (and updated from time to time) by the Board of the Company provide a structure within which directors and the Management can effectively pursue the Company's objectives for the benefit of its stakeholders.

SKF India's governance structure comprises the Board of Directors, Committees of the Board and the Management.

The Board sets out the overall corporate objectives and provides direction and independence to the management to achieve organisational objectives for value creation through sustainable profitable growth. The Board and its Committees guide, support and complement the management team's ideas and initiatives and also sets out standards of corporate behavior and ensures compliance with laws and regulations, impacting the Company's business.

1.4 Governance Policies:

SKF India seeks to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, has mandated formulation of certain policies for all listed companies.

The Board of Directors periodically reviews the Policies. Policies adopted by the Company are as under:

- Code of Conduct for Prevention of Insider Trading
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)
- Code of Conduct for employees
- Vigil Mechanism Policy
- Archival Policy
- Code of Conduct for Directors/ Senior Management/Employees
- Policy for Determination of Materiality of events for Stock Exchange
- Familiarization Programme
- Policy on Related Party Transaction
- Corporate Social Responsibility
- Dividend Distribution Policy
- Risk Management
- Policy on Prevention of Sexual Harassment (POSH) at Workplace
- SKF India Quality Policy
- Environment, Energy, Health and Safety Policy
- Nomination and Remuneration Policy for Directors, KMP's and Senior Management

The corporate governance policies are available on the Company's website https://www.skf.com/in/investors/skf-india-ltd

1.5 Corporate Governance Guidelines:

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with

Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), as applicable, with regard to Corporate Governance.

2. **Board of Directors:**

The Board of Directors have the responsibility of ensuring effective management, long-term business strategy, general affairs, performance and monitoring the effectiveness of the Company's corporate governance practices. The Managing Director reports to the Board and is in charge of the management of the affairs of the Company, executing business strategy in consultation with the Board and achieving annual and long-term business goals.

SKF India is a professionally managed Company functioning under the overall supervision of the Board of Directors ('Board'). Its Board comprises the required combination of Independent and Non-Independent Directors, including an Independent Woman Director in line with the provisions of the Companies Act, 2013 ('the Act') and SEBI LODR. The Company's Managing Director is an Executive Director on the Board.

Board independence is ensured by having independent members and by setting a high bar in terms of the qualifications, expertise and experience in selecting the right mix of individuals to serve on the Board, who can collectively serve the best interests of all stakeholders, maintain board and management accountability and drive corporate ethics, values and sustainability.

The Board of Directors is made up of highly experienced persons of repute and eminence, who ensure sound standards of corporate governance are nurtured.

The Board seeks accountability of the management in creating long-term sustainable growth to ensure that the aspirations of the stakeholders are fulfilled.

There are no inter-se relationships between our Board members. The Company doesn't have any pecuniary relationship with any of the Non-Executive, Non-Independent Directors.

With regard to the significant contributions that committees make in assisting the Board of Directors in discharging its duties and responsibilities, the Board through its following Committees closely monitors various areas of business. These committees comprises of the (i) Audit Committee, (ii) Nomination & Remuneration Committee, (iii) Stakeholders' Relationship Committee, (iv) Risk Management Committee, and (v) Corporate Social Responsibility Committee.

2.1 Composition and Category of Directors:

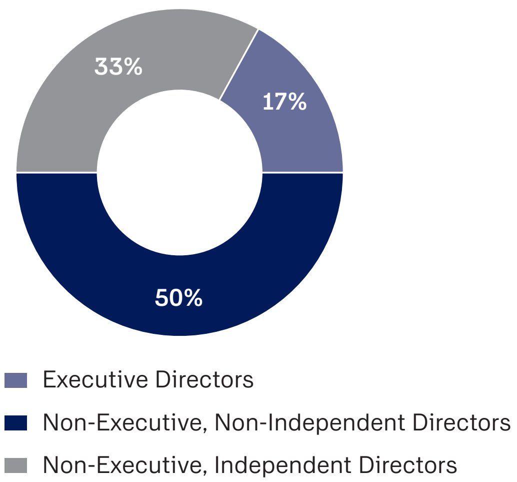
The Company believes in a well-balanced and diverse Board which enriches discussions and enables effective decision making. The Board has an optimal mix of Executive and Non-Executive Directors, comprising Independent Directors and the same is also in line with the applicable provisions of Companies Act, 2013 ('the Act') and SEBI LODR. The Board of the Company is diverse in terms of qualification, competence, skills, and expertise which enables it to ensure long-term value creation for all the stakeholders.

The Company understands that sound succession planning for the members of the Board and Senior Management is essential for sustained growth of the Company.

The Chairperson works actively with the nomination and remuneration committee to plan the composition of the Board, induct directors to the Board, participate effectively in the Board evaluation process and meet with individual directors to provide constructive feedback and advice.

Corporate Governance Report 2025-26 (Contd.)

As on 31st March, 2026, the Board comprises of six experts drawn from diverse fields/ professions.



Name of Board Members	Category /Designation
Mr. Gopal Subramanyam	Chairperson & Non-Executive, Independent Director
Ms. Anu Wakhlu	Non-Executive, Independent Director
Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director (Resigned w.e.f. 12th January, 2026)
Ms. Kerstin Enochsson	Non-Executive, Non-Independent Director (Resigned w.e.f. 12th January, 2026
*Mr. Mukund Vasudevan	Non-Executive, Non-Independent Director (Resigned w.e.f. 12th January, 2026)
Mr. Antonio Molle	Non – Executive, Non – Independent Director (Appointed w.e.f. 13th January, 2026)
Mr. Bastian Thomas	Non – Executive, Non – Independent Director (Appointed w.e.f. 13th January, 2026)
Mr. Magnus Lennart Prick	Non – Executive, Non – Independent Director (Appointed w.e.f. 13th January, 2026)
**Mr. Shailesh Sharma	Managing Director & KMP (Appointed w.e.f. 01st October, 2025)

*Mr. Mukund Vasudevan resigned from the position of Managing Director with effect from the closure of business hours of 30th September, 2025

**Mr. Shailesh Sharma was appointed as Whole-Time Director w.e.f. 13th February, 2025.

The necessary intimations were done within prescribed timelines. The aforesaid disclosures are available on the Company's website at https://www.skf.com/in/investors/skf-india-ltd/shareholder-information

The Board of Directors of the Company shall have an optimum combination of executive and non- executive directors. Effective from 01st April, 2020, top 1000 listed companies shall have at least one independent woman director on its Board.

The company is in conformity with above-mentioned requirements of the Act and SEBI LODR in this regard as amended from time to time.

The Chairperson of the Board is a Non-Executive, Independent Director. All Directors, except the Independent Directors and Managing Director, are liable to retire by rotation.

The eligibility of a person to be appointed as a Director of the Company is dependent on whether the person possesses the requisite skill sets identified by the Board as above and whether the person is a proven leader in running a business that is relevant to the Company's business or is a proven academician in the field relevant to the Company's business. The Company's business runs across different industry verticals, geographical markets and is global in nature. The Directors so appointed are drawn from diverse backgrounds and possess special skills with regard to the industries/ fields from where they come.

All the Directors have made necessary disclosures regarding their directorships and other interests as required under Section 184 of the Companies Act, 2013 and the Committee positions held by them in other companies. The Company is in compliance with Section 165 (1) of the Companies Act, 2013 and the Company is in compliance of regulation 17A of SEBI LODR, i.e. None of the Directors on the Company's Board

- holds the office of Director in more than 20 (Twenty) Companies or
- holds directorships in more than 10 (Ten) public companies,
- serves as Director or as Independent Director (ID) in more than 7 (seven) listed entities.

All the Independent Directors have confirmed that they meet the 'Independence' criteria as mentioned under Regulation 16 (1) (b) of the SEBI LODR and Section 149 (6) of the Companies Act, 2013 ('Act') and the Rules framed thereunder. In terms of Regulation 25(8) of the SEBI LODR, the Independent Directors have confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI LODR and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with applicable Rules.

Based on the confirmation/ disclosures as received from the Independent Directors and on evaluation of the relationships disclosed, all the Independent Directors meet the criteria of independence and are independent of the management in terms of the SEBI LODR and the Act.

The Company is in compliance of Regulation 26 of the SEBI LODR, i.e. none of the Directors are members in more than 10 (Ten) Committees or act as a Chairperson of more than 5 (Five) committees, the committees being, Audit Committee and Stakeholders' Relationship Committee.

Note:

i) For the limit of the committees on which a director may serve in all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies, high-value debt listed and companies under Section 8 of the Companies Act, 2013 is excluded and

ii) for the purpose of determination of limit, chairpersonship and membership of the audit committee and the Stakeholders' Relationship Committee alone is considered.

The required information, including information as enumerated in Regulation 17(7) read together with Part A of Schedule II of the SEBI LODR is made available to the Board of Directors, for discussions and consideration at Board Meetings. The Board reviews compliance of all the applicable laws on a quarterly basis, as also steps taken to remediate instances of non-compliance, if any.

Pursuant to Regulation 27(2) of the SEBI LODR, the Company submits a quarterly Compliance Report on Corporate Governance to the Stock Exchange(s) (BSE Limited (BSE) and National Stock Exchange (NSE)) within timelines in the format, as may be specified by the Securities and Exchange Board of India ('SEBI') from time to time.

The MD and the CFO have certified to the Board on inter alia, the accuracy of the financial statements and adequacy of internal controls for financial reporting, in accordance with Regulation 17(8) read together with Part B of Schedule II of the SEBI LODR, pertaining to MD & CFO certification for the Financial Year ended 31st March, 2026.

2.2 Disclosure regarding appointment / re-appointment / cessation of Directors as on the date of Report:

During the financial year 2025-26, the following changes took place in the composition of Board of Directors:

A. Re-appointment of Independent Directors:

Mr. Gopal Subramanyam (DIN: 06684319) and Ms. Anu Wakhlu (DIN: 00122052), Independent Directors of the Company were appointed for first term of 5 (five) consecutive years with effect from 16th May, 2019 to 15th May, 2024. Therefore, their first term as Independent Director was valid till 15th May, 2024. The Board, based on the recommendations of the Nomination and Remuneration Committee, approved their reappointment as Independent Director(s) with effect from 16th May, 2024 to 15th May, 2029 for second term of five (5) years in accordance with applicable regulatory provisions. Necessary shareholders approvals were obtained by the Company within the prescribed timeline through Postal Ballot, as per SEBI LODR.

The shareholders subsequently approved their appointment through postal ballot resolution passed on 21st June, 2024. They fulfil the requirements of an Independent Director as laid down under Section 149(6) of the Act, and Regulation 16(1)(b) of the SEBI LODR and are not debarred from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies).

B. Change in Designation:

- **Mr. Mukund Vasudevan (DIN: 05146681)** resigned from the post of Managing Director w.e.f. 30th September, 2025, however, he continued on the Board of SKF India Limited as Non- Executive, Non- Independent Director w.e.f. 01st October, 2025.

C. Resignations:

- **Mr. Mukund Vasudevan (DIN: 09651955)** resigned from the post of Non-Executive, Non-Independent Director from the Board of SKF India Limited with effect from 12th January, 2026 due to other pre-occupancies and commitments.
- **Ms. Kerstin Enochsson (DIN: 10774889)** resigned from the post of Non-Executive, Non-Independent Director from the Board of SKF India Limited with effect from 12th January, 2026 due to other pre-occupancies and commitments.
- **Mr. Karl Robin Joakim Landholm (DIN: 09651911)** resigned from the post of Non-Executive, Non-Independent Director from the Board of SKF India Limited with effect from 12th January, 2026 due to other pre-occupancies and commitments.

D. Appointments:

- **Mr. Shailesh Sharma (DIN: 09493881)**, was already serving as the whole-time Director of the Company w.e.f 13th February, 2025, however based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved appointment of Mr. Shailesh Sharma as Managing Director & KMP of the Company with effect from 01st October, 2025, The shareholders subsequently approved his appointment through postal ballot resolution passed on 15th November, 2025 within the prescribed timeline in accordance with the SEBI LODR.

  Mr. Shailesh Sharma is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

- **Mr. Antonio Molle (DIN: 11400478)** was appointed as Non-Executive, Non-Independent Director of the Company w.e.f. 13th January, 2026, by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee. The shareholders subsequently approved his appointment through Postal Ballot resolution passed on 17th March, 2026, within prescribed timeline in accordance with SEBI LODR.

  He is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

- **Mr. Bastian Thomas (DIN: 11414682)** was appointed as Non-Executive, Non-Independent Director of the Company w.e.f. 13th January, 2026, by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee. The shareholders subsequently approved his appointment through Postal Ballot resolution passed on 17th March, 2026, within prescribed timeline in accordance with SEBI LODR.

  He is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

- **Mr. Magnus Lennart Prick (DIN: 11342653)** was appointed as Non-Executive, Non-Independent Director of the Company w.e.f. 13th January, 2026, by the Board of Directors based on the recommendation of the Nomination & Remuneration Committee. The shareholders subsequently approved his appointment through Postal Ballot resolution passed on 17th March, 2026, within prescribed timeline in accordance with SEBI LODR.

  He is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

E. Retire by Rotation

- **Mr. Magnus Lennart Prick (DIN: 11342653)** is liable to retire by rotation this year and is proposed to be reappointed by shareholders at the ensuing 65th Annual General Meeting ('65th AGM').

  A brief profile of the person sought to be appointed/reappointed as Director(s) at the 65th AGM of the Company are attached to the Notice of the Annual General Meeting sent to the shareholders.

2.3 Conduct of Board Proceedings:

The primary role of the Board is to protect and enhance shareholder's value through the strategic direction to the Company. It provides strategic guidance to the Company, ensures effective monitoring of the Management and is accountable to the Company and the shareholders.

The Chairperson leads the Board. As Chairperson, he is responsible for fostering and promoting the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company and all its stakeholders. The Chairperson is primarily responsible for ensuring that the Board provides effective governance to the Company. In doing so, the Chairperson presides over meetings of the Board and of the shareholders of the Company.

In order to facilitate effective discussions at the virtual meetings, the agenda is bifurcated into 4 (four) Section, 1st section is pertaining to 'Introduction', 2nd Section pertains to 'Reviews and Update' by the Managing Director and Chief Financial Officer for each quarter, and the 3rd Section relating to 'Decisions and Approvals' and the 4th Section relating to 'Regulatory Matters'. The dates of the Board Meetings are fixed well in advance and intimated to the Board members to enable the Directors to plan their schedules accordingly.

The Directors are also provided the option to participate in the meeting through video conferencing and the facility is provided as and when requested/ needed. The agenda papers are circulated to the Directors in advance before the meeting through Board Pac (Application for sharing agenda of the Board and Committee Meetings). However, certain exigent proposals are tabled at the Board Meeting with the approval of the Chairperson and the consent of the Directors. The agenda items are comprehensive and informative in nature to facilitate deliberations and appropriate decision-making at the Board Meeting. In case of matters requiring urgent approval of the Board, resolutions are passed through circulation in compliance with the applicable law/standards.

Board Pac is a platform for sharing agenda with Board and Committee Members, it enables us to maintain confidentiality of the agenda items, as application is used by members to only view agenda items and restricts them from downloading any content or taking screenshots of the same.

Presentations are made to the Board and its Committees on various functional and operational areas of the Company, Business Development activities as well as on major projects, financial highlights etc.

The Chief Financial Officer and respective Members of the Senior Management Personnel of the Company are invited to attend meetings of the Board (on a case-to-case basis) and make presentations to the Board on matters including but not limited to the Company's performance, strategic plans, quarterly and annual financial results, compliance reports, etc.

The Company Secretary conducts all the meetings of the Board and its Committees and is, inter alia, responsible for recording the minutes of such meetings. The draft minutes of the Board and its Committees are sent to the members for their comments in accordance with the Secretarial Standards. Thereafter, the minutes are entered in the minutes book within 30 (thirty) days from the date of the respective meetings, subsequent to incorporation of the comments, if

Corporate Governance Report 2025-26 (Contd.)

any, received from the Directors. Signed minutes are also circulated within 15 days of the signing of the Minutes.

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules made thereunder, Secretarial Standards, and SEBI LODR with respect to convening and holding the meetings of the Board of Directors, its Committees, and the General Meetings of the shareholders of the Company.

2.4 Board Meetings:

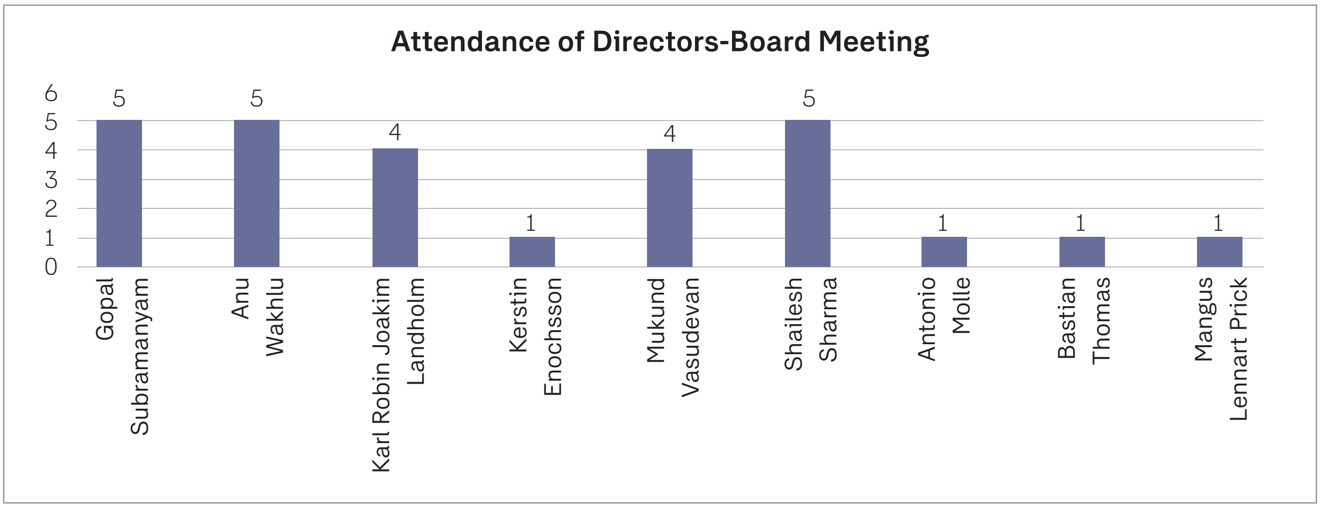
The Board met 5 times during the year FY 2025-26 on the following dates: 15th May, 2025, 06th August, 2025, 30th September, 2025, 14th November, 2025, and 05th February, 2026. The intervening period between the two meetings was within the maximum time gap as prescribed under the applicable law.

Pursuant to Clause VII of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of SEBI LODR. For the year, the Independent Directors of the Company met separately on 16th March, 2026, to review the performance of Non-Independent Directors and the Board of the Company and to assess the quality, quantity and timeliness of the flow of information between the Management of the Company and the Board.

All the Independent Directors attended the meeting.

2.5 Attendance of Each Director at the Board Meetings and Last Annual General Meeting

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review, and at the last Annual General Meeting ('AGM'), as on 31st March, 2026 are given herein below.



Name of the Director, DIN and Designation	No. of Board Meetings held and attended during FY 2025-26					
	15th May, 2025	06th August, 2025	30th September, 2025	14th November, 2025	05th February, 2026	Attendance at the last Annual General Meeting-06th August, 2025
Mr. Gopal Subramanyam DIN: 06684319 Non-Executive, Independent Director, Chairperson	Present	Present	Present	Present	Present	Present
Ms. Anu Wakhlu DIN: 00122052 Non-Executive, Independent Director	Present	Present	Present	Present	Present	Present
Mr. Karl Robin Joakim Landholm **DIN:** 09651911 Non-Executive, Non-Independent Director (*till 12th January, 2026)	Present	Present	Present	Present	NA	Present

Name of the Director, DIN and Designation	No. of Board Meetings held and attended during FY 2025-26					
	15th May, 2025	06th August, 2025	30th September, 2025	14th November, 2025	05th February, 2026	Attendance at the last Annual General Meeting- 06th August, 2025
Ms. Kerstin Enochsson **DIN:** 10774889 Non-Executive, Non-Independent Director (**till 12th January, 2026)	Absent	Absent	Present	Absent	NA	Present
Mr. Mukund Vasudevan **DIN:** 05146681 Non-Executive Non-Independent Director (***w.e.f. 1st October, 2025 till 12th January, 2026)	Present	Present	Present	Present	NA	Present
Mr. Shailesh Sharma **DIN:** 09493881 Managing Director (****w.e.f. 1st October, 2025)	Present	Present	Present	Present	Present	Present
Mr. Antonio Molle **DIN:** 11400478 Non-Executive, Non-Independent Director (*****w.e.f. 13th January, 2026)	NA	NA	NA	NA	Present	NA
Mr. Bastian Thomas **DIN:** 11414682 Non-Executive, Non-Independent Director (******w.e.f. 13th January, 2026)	NA	NA	NA	NA	Present	NA
Mr. Magnus Lennart Prick **DIN:** 11342653 Non-Executive, Non-Independent Director (*******w.e.f. 13th January, 2026)	NA	NA	NA	NA	Present	NA

Note: NA stands for 'Not Applicable'

*__Mr. Karl Robin Joakim Landholm__ resigned as Non-Executive, Non-Independent director of the Company w.e.f. 12th January, 2026.

**__Ms. Kerstin Enochsson__ resigned as Non-Executive, Non-Independent director of the Company w.e.f. 12th January, 2026.

***__Mr. Mukund Vasudevan__ resigned from the office of Managing Director w.e.f. 30th September, 2025, however, continued on the Board of the Company as Non-Executive, Non-Independent Director w.e.f 01st October, 2025 till 12th January, 2026.

****__Mr. Shailesh Sharma__ was appointed as the Managing Director of the Company w.e.f. 01st October, 2025.

*****__Mr. Antonio Molle__ was appointed as Non-Executive, Non-Independent Director w.e.f 13th January, 2026.

******__Mr. Bastian Thomas__ was appointed as Non-Executive, Non-Independent Director w.e.f 13th January, 2026.

*******__Mr. Magnus Lennart Prick__ was appointed as Non-Executive, Non-Independent Director w.e.f 13th January, 2026.

2.6 Number of other Board of Directors or Committees in which a Director is a Member or Chairperson:

The name of other listed entities in which the Director is a director and the number of Directorships and Committee Chairpersonships/ Memberships held by them in other public limited companies as on 31st March, 2026 are given below:

Name of Director	Directorship in other companies (other than SKF India)	Directorship in other listed entities (Name of the Company and Category of Directorship)	No. of committees in which Chairperson/ Member (other than SKF India)	
			Member	Chairperson
Mr. Gopal Subramanyam	2	SKF India (Industrial) Limited (Independent Director and Chairperson) - Listed	2	1
Ms. Anu Wakhlu	3	Sudarshan Chemical Industries Limited (Independent Director)- Listed Sudarshan Colorants Limited (Independent Director) – Listed SKF India (Industrial) Limited (Independent Director) – Listed	2	1
Mr. Karl Robin Joakim Landholm (till 12th January, 2026)	-	-	-	-
Ms. Kerstin Enochsson (till 12th January, 2026)	-	-	-	-
Mr. Mukund Vasudevan (till 12th January, 2026)	1	SKF India (Industrial) Limited (Managing Director) - Listed	1	-
Mr. Shailesh Sharma (w.e.f 13th February, 2025 as Whole-Time Director and w.e.f. 01st October, 2025 as Managing Director)	-	-	1	-

Notes:

a. Excluded alternate directorships / directorships of private limited companies and foreign companies, high valued debt listed and companies incorporated under Section 8 of the Companies Act 2013, as per Regulation 26 of the SEBI LODR Regulations wherever applicable.

b. None of the Directors have received any loans and advances from the Company.

c. Pursuant to Regulation 26 (1) (b) of SEBI LODR, Membership/Chairpersonship of **only Audit Committees and Stakeholders Relationship Committee** of all Public Limited companies whether listed or not have been considered.

d. None of the directors are related to each other.

e. None of the directors hold Directorships in any Listed Company except Mr. Gopal Subramanyam who is Independent Director in 1 Listed Company, Ms. Anu Wakhlu who is Independent Director in 3 Listed Companies and Mr. Mukund Vasudevan who is the Managing Director in 1 Listed Company.

f. None of the Non-Executive Directors or Executives Directors hold any shares of the Company as on 31st March, 2026 and a Non-Convertible instrument is not issued by the Company.

2.7 Web link where details of familiarization programmes imparted to independent directors is disclosed:

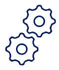
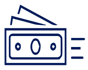
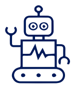
The details of the familiarization programme imparted to the Independent Directors of the Company is disclosed on the website, link of the same is mentioned below.

https://cdn.skfmediahub.skf.com/api/public/09ad997b83973140/pdf_preview_medium/Familiarization_Programme_of_Independent_Directors_2025-26_pdf_preview_medium.pdf

2.8 A chart or a matrix setting out the skills/expertise/competence of the board of directors specifying the following:

The key qualifications, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board as required in the context of the Company's aforesaid business(es) for it to function effectively and those available with the Board as a whole:

"Industry Experience; Sector specific knowledge of bearings and its user industry; Marketing; Strategic thinking/ planning; Finance/ Accounting Acumen; IT/ System knowledge; Leadership skills; Regulatory laws knowledge". The Board of SKF India is having the skills/ expertise/ competencies mentioned aforesaid.

S. No.	Skills/ Competency/ Expertise	Symbol
1.	Industry Experience	
2.	Sector specific knowledge of bearings and its user industry	
3.	Marketing	
4.	Strategic Thinking/ Planning	
5.	Finance/ Accounting Acumen	
6.	IT/ System Knowledge	
7.	Leadership Skills	
8.	Regulatory Laws Knowledge	

The Board of Directors who possess the aforementioned skills/ expertise/ competency matrix as already reviewed and approved by the Board of Directors in the year 2025-26 for Directors as on 31st March, 2026 are as follows:

S. No.	Directors	Skills/ Competency/ Expertise
1.	Mr. Gopal Subramanyam Non-Executive, Independent Director, Chairperson	
2.	Ms. Anu Wakhlu Non-Executive, Independent Director	
3.	Mr. Antonio Molle Non-Executive Non-Independent Director (w.e.f. 13th January, 2026)	
4.	Mr. Bastian Thomas Non-Executive Non-Independent Director (w.e.f. 13th January, 2026)	

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S. No.	Directors	Skills/ Competency/ Expertise
5.	Mr. Magnus Lennart Prick Non-Executive Non-Independent Director (w.e.f. 13th January, 2026)	
6.	Mr. Shailesh Sharma Managing Director (w.e.f 01st October, 2025)	

Note: Mukund Vasudevan resigned from the Board as MD w.e.f 30th September, 2025, Robin Joakim Landholm; Kerstin Enochsson and Mukund Vasudevan resigned as Non-Executive Director w.e.f. 12th January, 2026.

2.9 detailed reasons for the resignation of an independent director who resigns before the expiry of his/her tenure along with a confirmation by such director that there are no other material reasons other than those provided: Not Applicable, as no such incident occurred during Financial year 2025-26.

2.10 BOARD COMMITTEES:

We believe that an active, well-informed, diversified, and independent board is necessary to ensure the highest standards of corporate governance. With regard to the significant contributions that committees make in assisting the Board of Directors in discharging its duties and responsibilities, the Board, through its following Committees, closely monitors various areas of business.

These Committees are mandated under the law and operate within the terms of reference laid down by the Board and under the SEBI LODR.

The Board of Directors has constituted 5 (five) Board Committees with specific terms of reference and scope.

a) Audit Committee

b) Nomination and Remuneration Committee

c) Stakeholders' Relationship Committee

d) Risk Management Committee and

e) Corporate Social Responsibility Committee

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

3. AUDIT COMMITTEE:

3.1 Composition, Name of Members, and Chairperson:

The Audit Committee ('AC') of the Company is constituted in compliance with the provisions of Regulation 18 of the SEBI LODR and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, having the relevant accounting and financial management expertise.

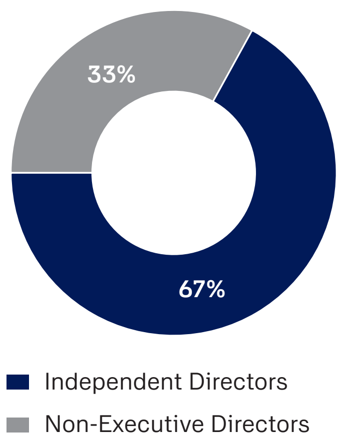
The AC comprises 3 (three) non-executive directors among whom 2 (two) are independent directors.

The composition of the Audit Committee as on 31st March, 2026 and changes during the year, if any are as under:

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Chairperson
2.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member
3.	Ms. Kerstin Enochsson	Non-Executive, Non-Independent Director	Member w.e.f. 13th February, 2025 till 12th January, 2026
4.	Mr. Magnus Lennart Prick	Non-Executive, Non-Independent Director	Member w.e.f. 13th January, 2026

Note: Ms. Kerstin Enochsson, Non-Executive, Non-Independent Director was member of Audit Committee – till 12th January, 2026

Mr. Magnus Lennart Prick, Non-Executive, Non-Independent Director appointed as Member of Audit Committee w.e.f. 13th January, 2026



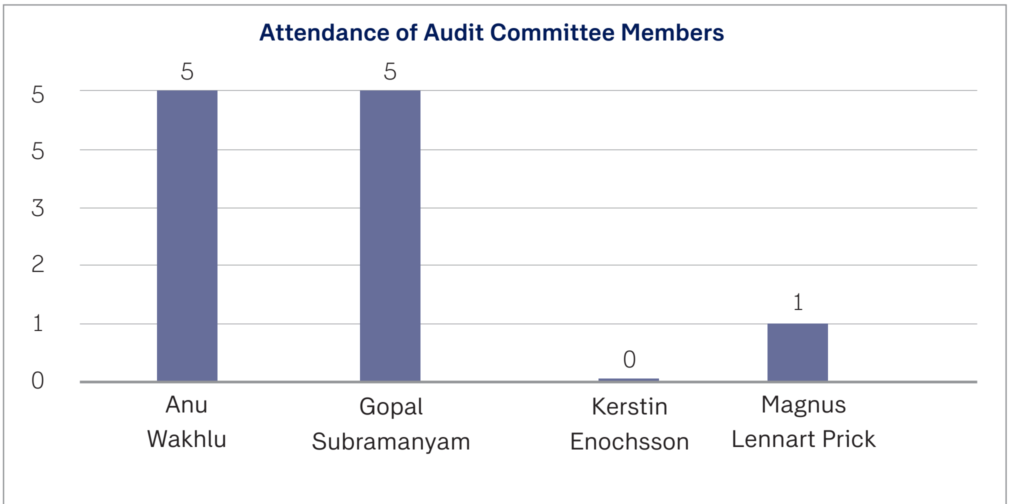
The Managing Director, the Chief Financial Officer, the Statutory Auditor and the Internal Audit team are the permanent invitees to the meetings of the Audit Committee. The Company Secretary is the Secretary of the Committee. The Cost Auditor and Secretarial Auditor are invited to meetings whenever required. The Committee is empowered to seek any information it requires from any employee or to obtain legal or other independent professional advice when considered necessary. Pursuant to Regulation 18(1)(d) of SEBI LODR, Ms. Anu Wakhlu, Chairperson of the Audit Committee was present at the 64th Annual General Meeting of the Company held on 06th August, 2025.

The Company has an internal audit team of professionals. Apart from this, the Company's systems of internal controls covering financial, operational compliance and IT applications etc. are reviewed by external experts and firms of Chartered Accountants from time to time. A report and presentations of its summary are made to the Audit Committee in each meeting on the findings of internal audits carried out. The internal and statutory auditors of the Company discuss their audit observations and submit their views directly to the Audit Committee. All the recommendations of the Audit Committee have been accepted by the Board of Directors.

3.2 Meetings and Attendance during the year:

The Committee met 5 (Five) times during the year FY 2025-26. The meetings were held on 15th May, 2025, 06th August, 2025, 29th September, 2025, 14th November, 2025 and 05th February, 2026.

The gap between two consecutive meetings is as per the limits specified in Section 177 of the Companies Act, 2013, and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.



3.3 **Brief description of terms of reference:**

The Audit Committee has been constituted pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 read with Part C of Schedule II of the SEBI (Listing Obligations and Disclosures Requirement) Regulations, 2015 for carrying out the functions as stated below, activities of the Committee during the year in line with the terms of reference of the Audit Committee are broadly as under:

a. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

b. Recommend to the Board, the appointment, remuneration and terms of appointment of the auditors of the Company;

c. Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if any

d. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

   i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013.

   ii. changes, if any, in accounting policies and practices and reasons for the same.

   iii. major accounting entries involving estimates based on the exercise of judgment by management.

   iv. significant adjustments made in the financial statements arising out of audit findings.

   v. compliance with listing and other legal requirements relating to financial statements.

   vi. disclosure of any related party transactions.

   vii. modified opinion(s) in the draft audit report.

e. reviewing, with the management, the quarterly financial statements before submission to the board for approval.

f. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

g. approval or any subsequent modification of transactions of the listed entity with related parties.

h. scrutiny of inter-corporate loans and investments.

i. valuation of undertakings or assets of the listed entity, wherever it is necessary.

j. evaluation of internal financial controls and risk management systems.

k. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

l. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

m. discussion with internal auditors of any significant findings and follow up there on;

n. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

o. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

p. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

q. to review the functioning of the whistle blower mechanism.

r. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.

s. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

t. reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

u. consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

v. To mandatorily review the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.

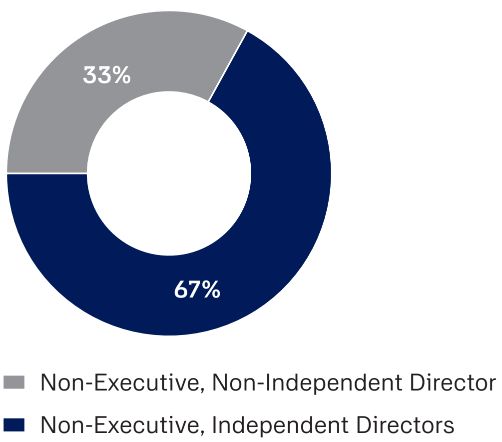
4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 Composition, Name of Members, and Chairperson:

The Nomination and Remuneration Committee ('NRC') functions according to its Charter laid down in Section 178 of the Companies Act, 2013 and the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which defines the composition of the committee, authority, duties and responsibilities and the reporting functions.

The composition of the Nomination and Remuneration Committee as on 31st March, 2026 and changes during the year, if any are as under:

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Chairperson
2.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member
3.	Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director	Member till 09th May, 2024 and Appointed again w.e.f 13th February, 2025 till 12th January, 2026
4.	Mr. Antonio Molle	Non-Executive, Non-Independent Director	Member w.e.f. 13th January, 2026



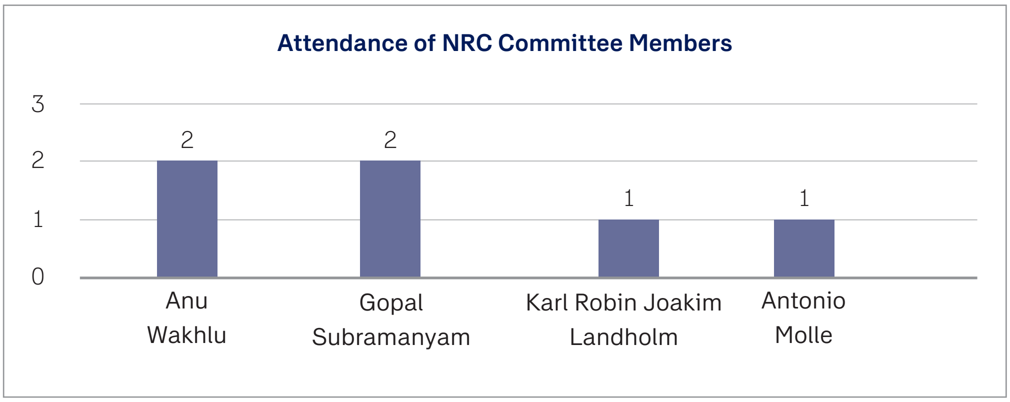
All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board of Directors.

Pursuant to Regulation 19 (3) of SEBI LODR, Ms. Anu Wakhlu, Chairperson of the Nomination and Remuneration Committee was present at the 64th Annual General Meeting of the Company held on 06th August, 2025.

Corporate Governance Report 2025-26 (Contd.)

4.2 Meeting and Attendance during the year:

The Committee met 2 (Two) times during the year FY 2025-26. The meetings were held on 29th September, 2025 and 18th March, 2026 with the requisite quorum present in the meeting.



4.3 Performance evaluation criteria for independent directors

The Nomination and Remuneration committee shall carry out the evaluation of the Board as a whole, its committee and individual Directors as per the provisions of the Companies Act, 2013 and SEBI LODR. The Board shall thereafter review the recommendation of the Nomination and Remuneration Committee.

The Board formally assesses its own performance based on parameters which, inter alia, include performance of the Board on deciding long-term strategy, rating the composition and mix of Board members, discharging of governance and fiduciary duties, handling critical and dissenting suggestions, etc. The parameters for the performance evaluation of the Directors include contribution made at the Board meeting, attendance, instances of sharing best and next practices, domain knowledge, vision, strategy, engagement with senior management, etc.

The Chairperson(s) of the respective Committees shares a report to the Board based on the feedback received from the Committee members on the outcome of the performance evaluation exercise of the Committee.

4.4 Brief description of terms of reference:

The Nomination and Remuneration Committee functions according to its Charter that defines its composition, authority, responsibility, and reporting functions in accordance with Section 178 of the Act, Regulation 19(4) read with Part D Para A of Schedule II of the SEBI LODR, 2015 as mentioned below:-

a) To formulate of the criteria for determining qualifications, positive attributes, and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

b) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge, and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

   The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

   a. use the services of an external agencies, if required;

   b. consider candidates from a wide range of backgrounds, having due regard to diversity; and

   c. consider the time commitments of the candidates

c) Devise a policy on Board diversity of Board of Directors.

d) formulation of criteria for evaluation of the performance of independent directors and the board of directors;

e) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

f) Evaluating Executive Director performance, determine and approve the compensation based on evaluation including annual increment and incentive remuneration after reviewing performance.

g) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

h) recommend to the board, all remuneration, in whatever form, payable to senior management. and term of reference mentioned in the Company's Policy.

The Company has not had any pecuniary relationship and transaction with any of the Non-Executive Directors during the year under review, other than payment of sitting fees, commission, and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

The Managing Director and HR Head (if required) participate as invitees and the Company Secretary acts as the Secretary of the Committee.

4.5 Remuneration of Directors:

1. Remuneration to Executive Directors shall involve a balance between fixed and incentive pay reflecting the short and long-term performance objectives appropriate to the working of the Company and its goals.
2. An Independent Director may be paid remuneration by way of sitting fees for attending meetings of the Board of Directors or any Committee of the Board of Directors as may be decided by the Board. Such sitting fees shall not be reckoned for the purposes of the percentage of remuneration.
3. The Independent Directors shall also be entitled for reimbursement of any expenses incurred in connection with participation at the meetings of the Board of Directors or any Committee thereof and commission.
4. An Independent Director shall not be eligible for any Stock option Scheme of the Company, if any such scheme exists.
5. The maximum remuneration payable to anyone Managing Director or whole-time Director or maximum overall remuneration payable to all Directors including Managing Director and Executive Directors will be within overall limits as defined in the Companies Act, 2013.
6. The Commission payable to the Non-Executive Directors shall not exceed 1% of the Net Profits of the Company during any financial year.

Policy on Criteria for making payment to Non-Executive Directors is disseminated on the website of the Company at below mentioned link.

https://www.skf.com/binaries/pub12/Images/0901d19680cbc6e6-Policy-for-appointment-and-remuneration-for-Directors-2021_tcm_12-583864.pdf

Other Employees

As per the revised Remuneration Policy the compensation and remuneration for the Senior Management including KMP was reviewed by the Nomination & Remuneration Committee.

In line with the requirements of Regulation 25(10) of the SEBI LODR, the Company has taken Directors and Officers Liability Insurance Policy for all its Directors and Members of the Senior Management for such quantum and for such risks as determined by the Board.

Corporate Governance Report 2025-26 (Contd.)

1. Details of remuneration to Mr. Mukund Vasudevan, Managing Director (till 30th September, 2025) and Mr. Shailesh Sharma, Whole-Time Director (till 30th September, 2025) and Managing Director (w.e.f. 01st October, 2025) for the year under review are as under:

Amount in INR

Description	Mr. Mukund Vasudevan (1st April, 2025 to 30th September, 2025- Managing Director)	Mr. Shailesh Sharma (1st April, 2025 to 30th September, 2025 –Whole-time Director) (w.e.f. 1st October, 2025 – Managing Director)
Salary	2,40,68,088	1,63,58,331
Perquisites	0.00	0.00
Deferred Benefits (PF and Superannuation)	13,46,060	12,89,064
Stock Award*	0.00	70,56,326
Performance Linked Incentives	67,36,944	21,92,304
Total	**3,21,51,092**	**2,68,96,026**

*The Managing Director and Whole-time Director is entitled to 'a Stock Award' from the parent company being part of the long-term variable salary.

No severance fees are payable to the Directors during the year.

4.6 The details of the remuneration paid/ payable to other Non-Executive Directors are as under:

Name of the Director	Sitting Fees (INR)	*Commission	Total (INR)
Mr. Gopal Subramanyam	8,55,000	17,63,835	26,18,835
Ms. Anu Wakhlu	8,55,000	15,33,868	23,88,868

Note:

*1) payable subject to approval of annual accounts by the Shareholders at the 65th Annual General Meeting to be held on 14th August, 2026.

2) **Mr. Antonio Molle**, **Mr. Bastian Thomas** and **Mr. Magnus Lennart Prick** were not entitled to any sitting fees or commissions during the financial year 2025-26.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

5.1 Composition, Name of Members, and Chairperson:

The Stakeholders' Relationship Committee ('SRC') has been constituted by the Board in compliance of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR.

The composition of the Stakeholders' Relationship Committee as on 31st March, 2026 and changes during the year, if any are as under:

Sr. No.	Name of Member	Designation of Director	Position held in the Committee
1.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Chairperson
2.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Member
3.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member till 30th September, 2025
4.	Mr. Shailesh Sharma	Executive Director (Managing Director)	Member w.e.f. 1st October, 2025

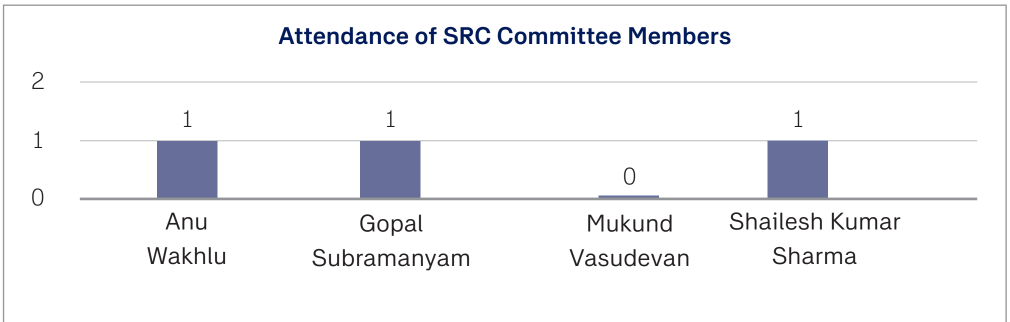
Corporate Governance Report 2025-26 (Contd.)

All the recommendations of the Stakeholders' Relationship Committee have been accepted by the Board of Directors.

Mr. Gopal Subramanyam, Chairperson of the Stakeholders' Relationship Committee was present at the 64th Annual General Meeting of the Company held on 6th August, 2025.

5.2 Meeting and Attendance during the year:

The Committee met 1 (one) time during the year FY 2025-26 The meeting was held on 18th March, 2026 with the requisite quorum present for the meeting.



5.3 Name and designation of the compliance officer:

A. From 1st April, 2025 to 30th September, 2025:

Name: Mr. Ranjan Kumar
Title: Company Secretary & Compliance Officer
Phone: (+91) 020 66112500/2623
Fax: (+91) (20) 6611 2396
Email: investorIndia@SKF.com
Address: Chinchwad, Pune 411033, Maharashtra, India

B. From 1st October, 2025:

Name: Ms. Mayuri Kulkarni
Title: Company Secretary & Compliance Officer
Phone: (+91) 020 66112500/2623
Fax: (+91) (20) 6611 2396
Email: investorIndia@SKF.com
Address: Chinchwad, Pune 411033, Maharashtra, India

During the year pursuant to demerger and subsequent change in Organisation structure Mr. Ranjan Kumar resiged from the position of Company Secretary & Compliance Officer of the Company w.e.f. 30th September, 2025. Consequently, Ms. Mayuri Kulkarni was appointed as the new Company Secretary & Compliance Officer w.e.f. 1st October, 2025.

Also, during the financial year, M/s MUFG Intime India Private Limited (Formerly known as M/s Link Intime India Private Limited, change in name with effect from 31st December, 2024) continued to act as Registrar and Share Transfer Agents of the Company. Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Share Transfer Agents – M/s MUFG Intime India Private Limited at **https://web.in.mpms.mufg.com/helpdesk/Service_Request.html**

5.4 Brief description of terms of reference:

The Stakeholders' Relationship Committee functions in accordance with Section 178 of the Act and Regulation 20 read with, Part D, Para B of Schedule II of the SEBI LODR. The suitably revised terms of reference enumerated in the Committee Charter, after incorporating therein the regulatory changes mandated under the SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, are as follows:-

a. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.

b. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

c. Review of measures taken for effective exercise of voting rights by shareholders.

d. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.

e. The Committee undertook an annual performance evaluation of its own effectiveness.

f. To approve transfer/ transmission of shares, issue of duplicate shares.

g. To review the queries received from investors.

h. To review the work done by the share transfer agent.

i. To review corporate actions related to shareholder issues, if any.

j. To review the adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent.

k. To ensure the timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders of the Company.

l. Carry out any other function contained in the equity listing agreement as and when amended from time to time.

Every month a report is obtained from the Registrar and the Share Transfer Agent on correspondence/ communication received from the shareholders. The Company follows the practice of inquiring from BSE/ NSE/ SEBI Score/ ODR Platform regarding any pending shareholder's grievances.

During the year, the SRC Committee approved 9 SRC Circular resolutions on the basis of requests received from RTA for the issue of Duplicate shares, the transmission of shares, etc.

An analysis of investor queries and correspondence done during the year are given hereunder:

S. No.		Particulars	Total Received	Total Replied	Total Pending
1.	Payments				
	a	Instruments found already paid / payment sent for Electronic Credit to Bank	0	0	0
	b	Outdated, Duplicate warrants and changes on live warrants (where new instruments being issued)	65	65	0
	c	Issue of new drafts against unencashed drafts/recovery drafts	48	47	1
	d	Non-receipt of warrants (where Recon In Progress)	0	0	0
	e	Non-receipt of payments (where new instruments already issued)	0	0	0
	f	Unclaimed and unpaid amounts transferred to ROC / IEPF	13	13	0
	g	Miscellaneous	71	65	6
2.	Annual Report		82	82	0
3.	Bonus Issue		0	0	0
4.	Change in name/status		16	16	0
5.	Communication received through SEBI and other statutory / regulatory bodies		39	32	7

S. No.	Particulars	Total Received	Total Replied	Total Pending
6.	Conversion / demerger – scheme of arrangement / exchange/ merger – amalgamation of companies / sub-division	14	14	0
7.	Demat / Rematerialisation of Shares	4	4	0
8.	Document Registration	102	101	1
9.	Legal matters	17	17	0
10.	Loss of securities	406	394	12
11.	Nomination	0	0	0
12.	Tax Exemption	1	1	0
13.	Transfer of Securities	0	0	0
14.	Transmission of Securities	138	129	9
15.	Other queries	228	217	11
	Total	**1,244**	**1,197**	**47**
	Request For			
1.	Change of address	111	105	6
2.	Change in Bank details	1	1	0
3.	Registration Of KYC Details	169	164	5
4.	Nomination	128	122	6
5.	Pan updation	1	1	0
	Total	**410**	**393**	**17**
Grand TOTAL		**1,654**	**1,590**	**64**

In the Report - Other queries in serial no 15 above mainly includes inquiries relating to, beneficiary details for securities held in electronic form, signature case, incomplete / incorrect details, mailing of certificates, split / consolidation / renewal queries / Claim of securities from Suspense Escrow Demat Account (SEDA) / Procedure for claiming the securities from IEPF account.

1,654 correspondences were received by the Company, out of which **1,590** correspondences were replied to the satisfaction of shareholders during the year under review, balance of 64 Outstanding correspondences as on 31st March, 2026 including 7 complaints received through Regulatory Bodies, 39 have been attended by 13th April, 2026 and balance 18 have been attended by 20th April, 2026.

For the 7 complaints received through Regulatory Bodies where ATRs had been uploaded, 1 complaint was closed on 04th April, 2026, 4 complaints were closed on 10th April, 2026 and balance 2 were closed on 18th April, 2026.

All the members of the Committee including Chairperson have attended the 64th Annual General Meeting held on 6th August, 2025.

The Committee expresses satisfaction with the Company's performance in dealing with the shareholders' grievances an its share transfer system.

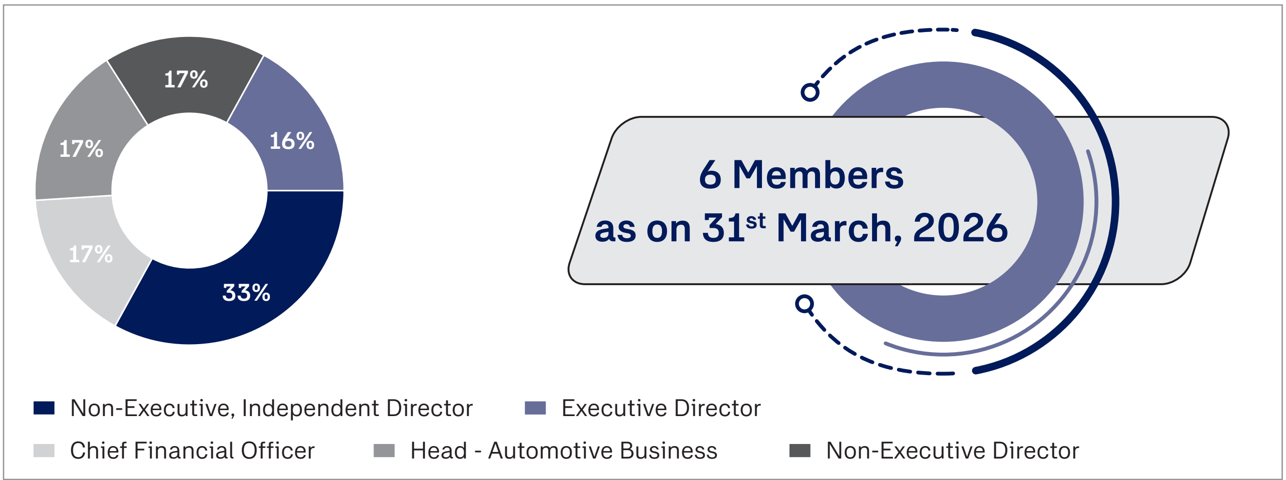
6. RISK MANAGEMENT COMMITTEE:

6.1 Composition, Name of Members and Chairperson:

The Risk Management Committee ('RMC') has been constituted by Board in compliance Regulation 21 of the SEBI (LODR) Regulation, 2015.

The composition of the Risk Management Committee as on 31st March, 2026 and changes during the year, if any are as under:

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Chairperson
2.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Member (w.e.f 9th May, 2024)
3.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member (till 30th September, 2025)
4.	Mr. Shailesh Sharma	Executive Director (Managing Director w.e.f. 1st October, 2025)	Member
5.	Mr. Ashish Saraf	Chief Financial Officer	Member (till 30th September, 2025)
6.	Mr. Alagesan Thasari	Head – Automotive Business	Member (w.e.f 1st October, 2025 till 21st April, 2026)
7.	Ms. Aashi Arora	Interim Chief Financial Officer	Member (w.e.f. 1st October, 2025)
8.	Mr. Antonio Molle	Non-Executive, Non-Independent Director	Member (w.e.f. 13th January, 2026)

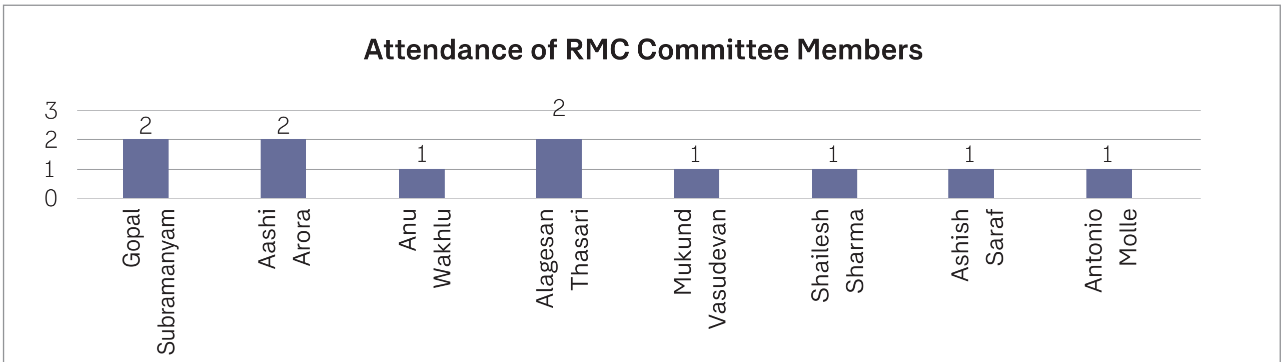


All the recommendations of the Risk Management Committee have been accepted by the Board of Directors.

Mr. Gopal Subramanyam, Chairperson of the Risk Management Committee was present at the 64th Annual General Meeting of the Company held on 06th August, 2025.

6.2 Meetings and attendance during the year:

The Committee met 2 (Two) times in the Financial Year 2025-26. The meetings were held on 16th September, 2025 and 18th March, 2026.



The meetings of the Committee during the Financial Year 2025-26 are within the timelines as specified in Regulation 21 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

6.3 brief description of terms of reference:

Our Risk Management Committee enables the achievement of the Company's strategic objectives by identifying, analyzing, assessing, mitigating, monitoring and governing any risk or potential threat to these objectives. The systematic and proactive identification of risks, and mitigation thereof, enables our organisation to boost performance with effective and timely decision-making. Strategic decisions are taken after careful consideration.

Our RMC encompasses all of the Company's risks, such as strategic, Operational, and legal & compliance risks. Any of these categories can have internal or external dimensions.

The terms of reference of the Risk Management Committee, as approved by the Board and amended from time to time, includes the following:

i. To consider the Risk Policy and determine the Company's risk appetite and risk tolerance, ensure that risk assessments are performed periodically and that risk management measures are put in place to mitigate/ manage the risks.

ii. To ensure that the Company has and maintains an effective on-going risk assessment process, consisting of risk identification, risk quantification, risk evaluation, risk mitigation plan and risk management.

iii. To identify risks and measure their potential impact and likelihood.

iv. To evaluate all types of risks applicable including strategic, financial, operational, technological, or cyber security and competition risks etc.

v. To consider both the upside and the downside of risk taking and to take the "long view" — to think about the effects that something may impact in the future. Understanding of the regulatory environment in which the organisation operates, and the prospective changes related to risk governance.

vi. Risk assessment procedures:

   a) To ensure both qualitative and quantitative metrics are being used.

   b) Review regularly and approve the parameters used in these measures and the methodology adopted.

   c) Set a standard risk register for the accurate and timely monitoring of critical, major and moderate risk and the management/ mitigation measures thereof.

vii. Review the Company's procedures for detecting fraud and for the prevention of bribery.

viii. The Committee is authorised:

   a) To seek any information, it requires from any employee/ director of the Company to perform its duties.

   b) To obtain, at the Company's expense, external legal or other professional advice on any matter within its terms of reference where required; and

   c) To request the attendance of any employee at a meeting of the committee as and when required.

The Risk Management Policy articulates the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It prescribes the roles and responsibilities of various stakeholders within the Company, the structure for managing risks and framework with respect to Risk Management and the Internal Financial Controls comprehensively address the key strategic/ business risks and operational risks respectively.

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

The Company has always maintained a high level of social engagement and social responsibilities under the leadership of Mr. Mukund Vasudevan, Chairperson till 30th September, 2025 and Mr. Shailesh Sharma w.e.f. 01st October, 2025 of the Committee and its Team. The initiatives in the social sphere have always been built on the Company's Values of "SKF Care" which comprises of four pillars, namely 'Business care /Employee care/ Environment care and Community care'. The Company considers it as its economic, environmental and social responsibility to foster sustainable local development as well as add value to the local communities in which it operates.

7.1 Composition, Name of Members and Chairperson:

The Corporate Social Responsibility (CSR) Committee has been constituted by the Board in compliance with the requirements of Section 135 of the Companies Act, 2013.

The Corporate Social Responsibility Committee members as on 31st March, 2026 and changes during the year, if any are as under:

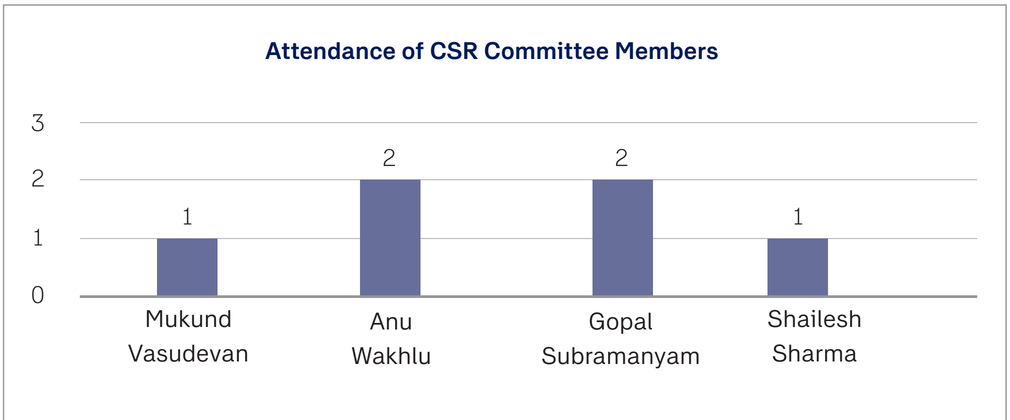
Sr. No.	Name of Member	Designation of Director	Position held in the Committee
1.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Chairperson (till 30th September, 2025)
2.	Mr. Shailesh Sharma	Executive Director (Managing Director)	Chairperson (w.e.f. 01st October, 2025)
3.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Member
4.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member

All the recommendations of the Corporate Social Responsibility Committee have been accepted by the Board of Directors.

Mr. Mukund Vasudevan & Mr. Shailesh Sharma, Chairperson of the Corporate Social Responsibility Committee respectively were present at the 64th Annual General Meeting of the Company held on 06th August, 2025.

7.2 Meetings and attendance during the year:

The Committee met 2 (Two) times in the Financial Year 2025-26. The meetings were held on 15th May, 2025 and 5th February, 2026.



7.3 Brief description of terms of reference:

i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which will indicate the activities to be undertaken by the Company in accordance with Schedule VII of the Companies Act, 2013 as amended from time to time.

ii. Recommending the amount of expenditure to be incurred on CSR activities.

iii. Monitor implementation and adherence to the CSR Policy of the Company from time to time

iv. Such other activities as the Board of Directors determine as they may deem fit in line with CSR Policy.

The Board has adopted the CSR Policy as formulated and recommended by the Committee.

The Annual Report on CSR activities for the Financial Year 2025-26 forms part of the Board's Report. The brief outline of the initiatives undertaken by the Company on CSR activities during the year are set out in **Annexure - C** of this report.

8. General Body Meetings:

8.1 Location and time, where last three annual general meetings held:

Sr. No.	Type of General Meeting	Date	Day	Time	Location of the meeting
1.	64th Annual General Meeting for the Financial Year ended 31st March, 2025	6th August, 2025	Wednesday	2:00 p.m. (IST)	Convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed location to be the registered office of the Company at Chinchwad, Pune 411033
2.	63rd Annual General Meeting for the Financial Year ended 31st March, 2024	13th August, 2024	Tuesday	3:00 p.m. (IST)	Convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed location to be the registered office of the Company at Chinchwad, Pune 411033
3.	62nd Annual General Meeting for the Financial Year ended 31st March, 2023	2nd August, 2023	Wednesday	3:00 p.m. (IST)	Convened through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") deemed location to be the registered office of the Company at Chinchwad, Pune 411033

8.2 Whether any special resolutions passed in the previous three annual general meetings:

Sr. No.	Type of General Meeting	Date	Special Resolutions passed if any
1.	64th Annual General Meeting for the Financial Year ended 31st March, 2025	6th August, 2025	To Consider and Approve the Remuneration Payable to Mr. Gopal Subramanyam, Non-Executive, Independent Director (DIN: 06684319) in Excess of Fifty Percent of the Total Annual Remuneration Payable to All Non-Executive Directors of the Company for the Financial Year
2.	63rd Annual General Meeting for the Financial Year ended 31st March, 2024	13th August, 2024	None
3.	62nd Annual General Meeting for the Financial Year ended 31st March, 2023	2nd August, 2023	None

Corporate Governance Report 2025-26 (Contd.)

Sr. No.	Type of General Meeting	Date	Special Resolutions passed if any
4.	Postal Ballot Conducted by Mr. Jayavant Bhave, of M/s J.B. Bhave & Co, Practicing Company Secretary	21st June, 2024 (date of passing resolution)	a) Re-appointment of Mr. Gopal Subramanyam (DIN: 06684319) as an Independent Director of the Company. b) Re-appointment of Ms. Anu Wakhlu (DIN: 00122052) as an Independent Director of the Company.

8.3 whether any special resolution passed last year through postal ballot – details of voting pattern:

Sr. No.	Type of General Meeting	Date	Special Resolutions passed if any
1.	Postal Ballot Conducted by Mr. Jayavant Bhave, of M/s J.B. Bhave & Co, Practicing Company Secretary	17th March, 2026	None
2.	Postal Ballot Conducted by Mr. Jayavant Bhave, of M/s J.B. Bhave & Co, Practicing Company Secretary	15th November, 2025 (date of passing of resolution)	None
3.	Postal Ballot Conducted by Mr. Jayavant Bhave, of M/s J.B. Bhave & Co, Practicing Company Secretary	30th April, 2025 (date of passing of resolution)	None

8.4 Additional Disclosures for Postal Ballot conducted during the year:

1) Postal Ballot was conducted, for which Notice dated 20th March, 2025 was sent to shareholders on 26th March, 2025 for the following:

   a) Appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Director of the Company.

   b) Appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Whole-time Director of the Company for a term of 5 consecutive years.

   Resolution(s) were passed on 30th April, 2025.

2) Postal ballot was conducted, for which Notice dated 30th September, 2025 was sent to Shareholders on 13th October, 2025 for the following:

   a) To consider and approve Material Related Party Transactions with SKF India (Industrial) Limited ("Resulting Company") for FY 2025-26.

   b) To consider and approve the appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Managing Director of the Company for a term of 5 (five) years along with remuneration payable to him w.e.f. 1st October, 2025.

   c) To consider and approve the Appointment of Mr. Mukund Vasudevan (DIN: 05146681) as a Non-Executive Director of the Company.

   Resolution was passed on 15th November, 2025.

3) Postal Ballot was conducted, for which Notice dated 5th February, 2026 was sent to Shareholders on 11th February, 2026 for following:

   a) To consider and approve appointment of Mr. Antonio Molle (DIN: 11400478) as Non-Executive, Non-Independent Director on the Board of the Company

   b) To consider and approve appointment of Mr. Bastian Thomas (DIN: 11414682) as Non-Executive, Non-Independent Director on the Board of the Company.

   c) To consider and approve appointment of Mr. Magnus Lennart Prick (DIN: 11342653) as Non- Executive, Non-Independent Director on the Board of the Company.

   Resolution was passed by shareholders on 17th March, 2026.

8.5 whether any special resolution is proposed to be conducted through postal ballot:-

No Special resolution is proposed to be conducted through postal ballots as on date of this CG report.

8.6 Procedure for postal ballot: In compliance with SEBI LODR and Companies Act,2013.

9. **MEANS OF COMMUNICATION:**

The Quarterly, Half Yearly and Annual Results are regularly submitted to the Stock Exchanges in accordance with the SEBI (LODR) Regulation, 2015 and are generally published in the Economic Times, MINT, Financial Express (English) and Maharashtra Times (Marathi). The official news releases (if any), including on the quarterly and annual results are submitted to Stock Exchanges and also posted on the Company's website (https://www.skf.com/in/investors/skf-india-ltd). The Company's website contains a dedicated section "Investors" where information for shareholders is available. The Annual Report, Quarterly Results, Shareholding Pattern, Corporate Governance Report, Share Reconciliation, Trading Window Intimations Quarterly Compliances, Analyst/Earnings Call, Plant Visit, Intimation/ Outcome of Board Meeting(s), Postal Notice(s) its outcome, Change in Management (if any), IEPF related information and other relevant information of the Company are posted through BSE Listing Centre and NSE NEAPS portals for investor information. The Annual Report which includes inter alia, the Director's Report, the Report on Corporate Governance, Business Responsibility and Sustainability Report, the Management Discussion and Analysis, Notice of AGM, and Financials of the Company is another channel of communication to the Shareholders. The Company had provided a live webcast of the proceedings of the 64th AGM held on 6th August, 2025 and a recording of the same and presentation which was presented during AGM is also available on the website of the Company.

The website of the Company provides information on unclaimed dividends, compliance reports, and other relevant information of interest to the investors/public. Reminders are sent to shareholders for claiming unpaid dividends and transfer of shares to the Investors Education and Protection Fund on 23rd April, 2026 and same was also published in newspapers.

During the year the Company arranged 4 (four) Investor Analyst Call and 1 (One) Investor Meet on 9th April, 2025, 19th May, 2025, 7th August, 2025 and 30th June, 2025 respectively, presentation(s), audio link(s) and transcript(s) of the Investor/ Analyst Call/ Meet were submitted to Stock exchanges and the same are available on the website of the Company.

During the year Company had arranged Extra Ordinary General Meeting ('EGM') on 14th July, 2025 Through Video Conferencing ("VC") / Other Audio visual Means ("OAVM") for obtaining the approval of shareholders for Demerger, audio link(s) and transcript(s) of EGM were submitted to Stock exchanges and the same are available on the website of the Company.

During the year Company arranged Annual General Meeting on 6th August, 2025 Through Video Conferencing ("VC") / Other Audio visual Means ("OAVM") for adoption of financials and other agenda items audio link(s) and transcript(s) of EGM were submitted to Stock exchanges and the same are available on the website of the Company.

In addition, the Company also arranged plant visits for Pune location for the shareholders on 10th & 11th September, 2025 and for Group of Investor(s)/ Analyst(s) on 7th November, 2025.

10. **General shareholder information:**

Annual General Meeting – date, time, and venue	**Friday, 14th August, 2026, at 1:00 P.M. IST** Through Video Conferencing ("VC") / Other Audio visual Means ("OAVM")
Video Conference, If Yes, Link	Yes Link is provided in Notes to the AGM Notice
Financial Year	1st April, 2025 to 31st March, 2026
Cut off for Dividend (if any)	**Friday, 3rd July, 2026**
Cut off for E-voting	**Friday, 7th August, 2026**
Dividend Payment Date	The Dividend, if declared at the AGM will be paid on or before, 31st August, 2026.
E-Voting Lines open	**Commence from 11th August, 2026 (Tuesday) at 9:00 a.m. (IST) and ends on 13th August, 2026 (Thursday) at 5:00 p.m. (IST)**

Corporate Governance Report 2025-26 (Contd.)

The name and address of each stock exchange(s) at which the listed entity's securities are listed and a confirmation about payment of annual listing fee to each of such stock exchange(s).	**BSE Ltd.** Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001, Maharashtra, India Tel No: (022) 22721233/4, 91-22-66545695 Fax: (022) 22721919	**National Stock Exchange of India Ltd.,** Exchange Plaza, 5th Floor, Plot no.C-1,G Block, Bandra-Kurla Complex, Bandra€, Mumbai-400051 Maharashtra, India Tel No: (022) 265981–0 - 8114 Fax No: (022) 26598120
Stock Code	**500472**	**SKFINDIA**
ISIN	**INE640A01023**	
Registrar to an issue and Share Transfer Agents	**M/S MUFG Intime India Private Limited** (Formerly known as M/s Link Intime India Private Limited, change in name with effect from 31st December, 2024), C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Tel.: +91 8108118484; Fax: +91 22 6656 8494; SEBI registration NO: INR000004058 Email: csg-unit@in.mpms.mufg.com Website: www.in.mpms.mufg.com	
Confirmation about payment of annual listing fee to each of such stock exchange(s);	The Company has paid Listing Fees for the financial year 2025-26 to each of the Stock Exchanges, where the equity shares of the Company are listed.	
Share Transfer System	The shares of the Company are traded dematerialized form as no physical transfer of share is allowed as per SEBI guidelines. As required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate on a yearly basis for the transfer of equity shares and a quarterly report on the Reconciliation of Share Capital from a practicing Company Secretary has been submitted to Stock Exchanges within prescribed timeline.	
In case the securities are suspended from trading, the directors report shall explain the reason thereof	N.A.	
Plant Locations	1. Chinchwad, Taluka Haveli, Pune - 411 033, 2. Plot 2, Bommasandra Industrial Area, Hosur Road, Bengaluru – 560 099, 3. Plot No 2, Industrial Park II, Salempur- Mehdood, Haridwar - 249402	
Address for correspondence	SKF India Limited Registered & Corporate Office: Chinchwad, Pune 411033, Maharashtra, India	
List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	The Company has not issued any debt instruments and does not have any fixed deposit programme or any scheme or proposal involving mobilization of funds in India or abroad during the financial year ended 31st March, 2026.	

10.1 Distribution of shareholding as 31st March, 2026:

SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	to	500	69779	97.0811	2620626	5.3008
501	to	1000	1076	1.4970	803064	1.6244
1001	to	2000	560	0.7791	798706	1.6156
2001	to	3000	141	0.1962	337876	0.6834
3001	to	4000	82	0.1141	290595	0.5878
4001	to	5000	42	0.0584	187429	0.3791
5001	to	10000	76	0.1057	524852	1.0616
10001	to	**********	121	0.1683	43874815	88.7472
		Total	**71877**	**100.0000**	**4,94,37,963**	**100.0000**

10.2 Dematerialization of shares and liquidity:

	No. of Shares	% of total capital issued
Held in dematerialized form in NSDL	4,51,81,363	91.39%
Held in dematerialized form in CDSL	39,70,389	8.03%
Physical	2,86,211	0.58%
Total	**4,94,37,963**	**100.00**

10.3 Outstanding global depository receipts or american depository receipts or warrants or any convertible instruments, conversion date and likely impact on equity: There are no outstanding GDRs / ADRs / Warrants or any other convertible instruments which are likely to impact the equity capital of the Company.

11. OTHER DISCLOSURES:

11.1 Disclosures on materially significant related party transactions that may have potential conflict with the interests of a listed entity at large:

There have been no materially significant related party transactions that may have potential conflict with the interests of the Company at large. The necessary shareholder approval is obtained as per SEBI LODR for material Related Party Transactions at the ordinary course of business and at arm's length basis.

11.3 Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years:

During the last three years, there were no instances of non-compliance by the Company and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital markets.

10.4 Details of establishment of vigil mechanism whistle-blower policy, and affirmation that no personnel has been denied access to the audit committee:

The Company has adopted a Whistle-Blower Policy and an effective Vigil Mechanism system to provide a formal mechanism to its Directors, Employees and Business Associates to voice concerns in a responsible and effective manner regarding suspected unethical matters involving serious malpractice, abuse or wrongdoing within the organisation and also safeguards against victimization of Directors/ Employees and Business Associates who avail the mechanism.

The Company affirms that no personnel had been denied access to the Audit Committee under the Whistle Blower Policy, below is link of the policy.

https://cdn.skfmediahub.skf.com/api/public/0901d196809a699a/pdf_preview_medium/0901d196809a699a_pdf_preview_medium.pdf

11.5 Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with all the mandatory requirements under SEBI (LODR) Regulations, 2015, Company is also complying with the non-mandatory requirement as mentioned in CG Report.

11.6 Web link where policy for determining 'material' subsidiaries is disclosed: N.A.

11.7 Web link where policy on dealing with related party transactions:

The web link the policy on dealing with related party transactions is:

https://cdn.skfmediahub.skf.com/api/public/09a-f1a7d3c521446/pdf_preview_medium/09a-f1a7d3c521446_pdf_preview_medium.pdf

11.8 Disclosure of commodity price risks and commodity hedging activities:

Commodity Risk:

Steel and steel alloy form the basic material for the manufacture of bearings and constitute the single largest component of bearing cost. Steel prices are monitored on a regular basis using pricing trends and forecast from internationally reputed agencies. Wherever co-relation exists, the cost sheet is monitored to calculate delta changes and accordingly prices are factored. Additionally, import data is tracked to compare average import prices and buying prices. Appropriate actions are accordingly taken to minimise commodity risks.

Foreign Exchange Risk:

The Company actively monitors the foreign exchange movements and takes forward covers as appropriate to reduce the risks associated with transactions in foreign currencies. The Company is a net importer and, therefore, is exposed to foreign exchange risk. However, the Company does not hedge as a policy on trade account and instead tries, as far as possible, to hedge its business to protect itself against the vagaries of the currency by entering into appropriate contracts with its suppliers and customers.

11.9 Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company has not raised funds through preferential allotment or qualified institution placement as specified under Regulation 32(7A) during FY 2025-26.

11.10 A certificate from a company secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority:

A certificate has been obtained from M/ s J.B. Bhave & Co, Practicing Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority which forms part of this report, same is enclosed as **Annexure - H**

11.11 Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

The Board of Directors has accepted all recommendations of all committees of the Board, which is mandatorily required, in the Financial Year 2025-26.

11.12 Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Total fees (all services) paid by the Company on a consolidated basis to M/ s. Deloitte Haskins & Sells LLP, Chartered Accountants, (Firm's Registration Number 117366W/W-100018) with the ICAI), Statutory Auditors forms part of the Notes to Financial Statements.

11.13 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy on the Prevention of Sexual harassment at the Workplace is available at

https://cdn.skfmediahub.skf.com/api/public/09f6859e030abf49/pdf_preview_medium/SKF_India_Limited_Policy_on_Prevention_of_Sexual_Harassment_at_Workplace_pdf_preview_medium.pdf

Further below are the details of complaints relating to POSH:

a. Number of complaints filed during the financial year: Nil

b. Number of complaints disposed of during the financial year:Nil

c. Number of complaints pending as on end of the financial year: Nil

11.14 Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

No Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount were given by the Company during the Financial Year 2025-26.

11.15 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries: N.A.

11.16 Non-compliance of any requirement of corporate governance report of sub-paras (2) to (10) above, with reasons thereof shall be disclosed: There are no non-compliances

11.17 The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted: Yes

11.18 The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:- Yes

11.19 Compliance under Non-Mandatory Requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Also, the Company has adopted non-mandatory requirements as per the details given below:

(a) The Board – The Company does not maintain a separate office for the Non-Executive Chairperson.

(b) Audit Qualifications: The auditors have not qualified the financial statements of the Company. The Company continues to adopt best practices in order to ensure unqualified financial statements.

(c) Reporting of Internal Auditors: The Internal Auditor reports observations to the Audit Committee and makes detailed presentations at quarterly meetings.

10.20 Code of Conduct to Regulate, Monitor, and Report Trading by Designated Persons:

The Company has in place a Code of Conduct for the Prevention of Insider Trading and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Code of Conduct for Prevention of Insider Trading lays down guidelines advising the Management, staff, and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of SKF India, and while handling any unpublished price-sensitive information, cautioning them of the consequences of violations.

Mr. Ranjan Kumar was the Company Secretary & Compliance Officer till 30th September, 2025

Thereafter, Ms. Mayuri Kulkarni has been appointed as the Company Secretary & Compliance Officer w.e.f. 1st October, 2025.

Shares held by the Directors and KMP as at 31st March, 2026 are as under:

Name of Director / KMP	No.of shares or convertible instruments held
Ms. Anu Wakhlu	Nil
Mr. Gopal Subramanyam	Nil
Mr. Karl Robin Joakim Landholm (till 12th January, 2026)	Nil
Ms. Kerstin Enochsson (till 12th January, 2026)	Nil
Mr. Mukund Vasudevan (till 12th January, 2026)	Nil
Mr. Shailesh Sharma (w.e.f 01st October, 2025)	Nil
Mr. Ashish Saraf (till 30th September, 2025)	Nil
Mr. Ranjan Kumar (till 30th September, 2025)	Nil
Ms. Aashi Arora (w.e.f. 1st October, 2025)	100
Ms. Mayuri Kulkarni (w.e.f. 1st October, 2025)	1

11.21 OTHER INFORMATION FOR SHAREHOLDERS:

I. IEPF Information:

As required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, the Company has transferred all unclaimed equity dividends up to the financial year 1996 to the General Revenue Account of the Central Government. Members who have so far not claimed or collected their dividend for the said financial year(s), may claim the same from the Registrar of Companies, Maharashtra by submitting an application in the prescribed form.

In terms of the provisions of Section 125 of the Companies Act, 2013 as amended from time to time the Company is obliged to Transfer Dividends which remain unpaid or unclaimed for a period of seven years (from the date of the transfer into the Unpaid Dividend Account) to the credit of the Investor Education and Protection Fund ('the Fund') established by the Central Government. Accordingly, the Company has transferred unpaid/ unclaimed dividend up to the financial year 2018-19 to the Fund and no claim shall lie against the Company or the Fund in respect of dividends remaining unclaimed or unpaid and transferred to the Fund. Members who have not yet encashed their dividend warrants for the years 2019 to 2025 may approach the Company for revalidation / issue of duplicate dividend warrants as the unpaid/unclaimed dividends for the aforesaid financial years are required to be transferred to the Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 125 of the Companies Act, 2013 after seven years from the date of declaration.

The Company provides the facility of payment of dividends to the shareholders by directly crediting the dividend amount to the shareholder's Bank Account. Members are, therefore, urged to avail of this facility to ensure safe and speedy credit of their dividend into their Bank account through the Banks' Automated Clearing House ("ACH") and/or any other permitted mode for credit of dividend.

The Company also voluntarily sends intimations to those shareholders to whom dividend has been credited electronically, for their future reference.

Reminders to encash the unclaimed dividend on shares are sent to the relevant shareholders, the unpaid dividend list is also available on the website of the Company at https://cdn.skfmediahub.skf.com/api/public/09b336a976108445/pdf_preview_medium/Outstanding_Dividend_for_7_Consecutive_Years_from_2019_to_2025_pdf_preview_medium.pdf%22%20after%20Company

Details of unclaimed dividend Year ending	As on 31st March, 2026 (INR)
2018	9,600.00
2019	22,05,950.00
2020	2,06,27,175.67
2021	25,27,452.00
2022	26,17,323.50
2023	67,48,892.00
2024	3,70,58,333.00
2025	37,14,722.00

II. Transfer of Shares into Investor Education and Protection Fund (where dividends remain unclaimed for consecutive seven years):

In terms of Section 125(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government.

As required under the said Rules, the Company has published a Notice in the newspapers inviting Members' attention to the aforesaid Rules. The Company sends regular reminders to shareholders to claim their unclaimed dividends/shares before it is transferred to IEPF. Shareholders may note that both the unclaimed dividends and corresponding shares transferred to IEPF, including all benefits accruing on such shares, if any, can be claimed from IEPF following the procedure prescribed in the Rules. No claim shall lie in respect thereof with the Company.

Accordingly, the Company has transferred the shares in respect of which dividends had remain unpaid for a period of seven consecutive year – i.e. in respect of unpaid dividends till

Year 2019. The procedure for claiming the unpaid dividend amount and shares transferred to the IEPF Authority is provided on the link: https://www.mca.gov.in/content/mca/global/en/home.html

10.22 'Go Green' Initiative:

The provisions of the Companies Act, 2013 and rules made thereunder permit paperless communication by allowing service of all documents in electronic mode. Further, the MCA as well as the SEBI has permitted that all communication to the shareholders may be served electronically. Accordingly, the Company would send a copy of the Annual Report for the year 2025-26 along with the notice convening the AGM through email to those shareholders whose email id is available as per registered records. As a continuing endeavour towards the 'Go Green' Initiative, the Company is sending intimation of annual reports/ dividends by e-mail/ ECS to those shareholders whose e-mail addresses/bank details were made available to the Depositories or Share Transfer Agents. Shareholders are requested to support this Green Initiative by providing e-mail addresses for receiving electronic communications.

12. Disclosures with respect to demat suspense account/ unclaimed suspense account:

Below are the details of shares in the demat suspense account of the Company as on 31st March, 2026:

a) aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1st April, 2025 : **1,430 shares**

b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **1,440 shares**

c) number of shareholders to whom shares were transferred from suspense account during the year: **1,010 shares**

d) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31st March, 2026; **1,860 shares**

- **A total of 1,440 shares belonging to 10 shareholders have been transferred to the Company's Suspense Escrow Demat Account.**
- **Additionally, a total of 160 shares belonging to 1 shareholder is in the process to be transferred from Company's Suspense Escrow Demat Account.**

e) that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. **Voting rights are not frozen.**

13. Disclosure of certain types of agreements binding listed entities:- NA

For and on behalf of the Board,

SKF India Limited

Gopal Subramanyam, Chairperson
DIN: 06684319
Place: Pune
Date: 13th May, 2026

ANNEXURE - C

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER THE 1ST DAY OF APRIL, 2024

1. **Brief outline on CSR Policy of the Company**: The Board of Directors of the Company has approved the revised CorporateSocial Responsibility Policy ("Policy") on the recommendation of the CSR Committee on 1st April, 2021 to accommodate the new changes in law. The Policy defines the Scope and Applicability, CSR Spend Approach, CSR Thrust Areas, Modes of Implementation, CSR Focus area, Planning, Implementation and Impact Assessment and other relevant aspects of spending CSR.

2. **Composition of CSR Committee:**

SL. NO	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the	Number of meetings of CSR Committee attended during the year
01	Shailesh Kumar Sharma	Chairperson and Managing Director	02	01
02	Anu Wakhlu	Member (Independent Director)	02	02
03	Gopal Subramanyam	Member (Independent Director)	02	02

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company

   https://cdn.skfmediahub.skf.com/api/public/0901d19680cb2f37/pdf_preview_medium/0901d19680cb2f37_pdf_preview_medium.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. **Not applicable.**

5. **(a)** Average net profit of the company as per sub-section (5) of section 135: **7,434.77 MINR**

   (b) Two percent(2%) of average net profit of the company as per sub-section (5) of section 135: **INR 148.70 MINR.**

   (c) Surplus arising out of the CSR Projects or programs or activities of the previous financial years. **NA**

   (d) Amount required to be set-off for the financial year, if any: **3.04 MINR**

   (e) Unspent amount of previous financial years, if any: **Nil**

   (f) Total CSR obligation for the financial year [(b)+(c)-(d)+(e)]. **INR 145.70 MINR**

6. **(a)** Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **INR 156.4 MINR.**

   (b) Amount spent in Administrative Overheads: **INR 4.4 MINR.**

   (c) Amount spent on Impact Assessment, if applicable: **Not applicable**

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **INR 160.8 MINR**

   (e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in INR)				
	Total Amount transferred to UnspentCSR Account as per sub-section (6) ofsection 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) ofsection 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
160.80	Nil	NA	Nil	Nil	NA

ANNEXURE - C (Contd.)

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
I.	Two percent of average net profit of the company as per sub-section (5) of section 135	148.70 MINR
	Amount available for set off from previous financial years	3.04 MINR
	Underspent amount of previous financial years spent in this financial year	Nil
	Total budget for FY 2025-26 [(i)-(ii)+(iii)]	**145.70 MINR**
II.	Total amount spent for the Financial Year	160.80 MINR
III.	Excess amount spent for the Financial Year [(II)-(I)]	15.1 MINR
IV.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
V.	**Amount available for set off in succeeding Financial Years [(III)-(IV)]**	**15.1 MINR**

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	**Preceding Financial Year(s)**	**Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in INR)**	**Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in INR)**	**Amount Spent in the Finan-cial Year (in INR)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) ofsection 135, if any**		**Amount remaining to bespent in suc-ceeding Financial Years (in INR)**	**De-ficie ncy, if any**
					Amount (in INR)	**Date of Transfer**		
1	2022-23	NIL	23.4 MINR	23.2 MINR	NIL	NIL	0.2 MINR	-
2	2023-24	NIL	0.2 MINR	0.2 MINR	NIL	NIL	NIL	-
3	2024-25	NIL	NIL	NIL	NIL	NIL	NIL	-

Note: For details please refer last 3 years CSR Annual Report.

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in theFinancial Year: ○ Yes ● No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibilityamount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address andlocation of the	Pincode of the property or asset(s)	Date of creation	Amount of CSR amountspent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**		
					CSR Registration Number,if applicable	**Name**	**Registered address**
	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and also the area of the immovable property as well as boundaries).

ANNEXURE - C (Contd.)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: Not Applicable

For and on behalf of SKF India Limited

Gopal Subramanyam
Chairperson

DIN: 06684319
Place: Pune
Date: 13th May, 2026

Shailesh Kumar Sharma
Managing Director

DIN:09493881
Place: Pune
Date: 13th May, 2026

ANNEXURE - C (Contd.)

Chief Financial Officer (CFO)/ Head, CSR Certification for

Utilisation of Funds Disbursed for Corporate Social Responsibility (CSR) Activities

To,

CSR Committee/ Board of Directors

SKF India Limited

We, Aashi Arora, Interim CFO and Ashwini Mavinkurve, Head – Sustainability & CSR of SKF India Limited ("the Company") have reviewed the CSR expenditure done by the Company towards CSR obligation for FY 2025-26 ("period") and do hereby certify that:

a) During the period, the Company was required to spend **INR 148.7 million** i.e., two percent of the average net profits of the company made during the three immediately preceding financial years.

b) Out of total CSR obligation, the Company has disbursed the following funds towards CSR activities during the FY 2025-26, as approved by the Board on the recommendation of the CSR Committee from time to time and monitored by the CSR Committee during the period. **(Detailed Statement enclosed as Annexure-A to this Certification).**

c) The Company has spent a total amount of **INR 160.8 million** towards CSR in FY 2025-26 out of total CSR obligation of **INR 145.7 million** (after setting off an overspent amount of **INR 3.04 million** of FY 2024-25). An amount of **INR 15.1 million** is spent in excess to CSR budget in FY 2025-26.

The books of account and other records of CSR activities, as available with the company/ implementing agency, gives reasonable assurance about the utilization of the funds disbursed by the company to implementing agencies for undertaking approved CSR activities.

For and on behalf of SKF India Limited

Aashi Arora
Interim CFO

Place: Pune
Date: 13th May, 2026

Ashwini Mavinkurve
Head – Sustainability & CSR

Place: Pune
Date: 13th May, 2026

ANNEXURE - C (Contd.)

Annexure A to above Certification

S No.	CSR Activities (Schedule VII)	Type of Project (On-going Project/ Other than On-going)	Amount Approved by the CSR Committee/ Board to be Spent	Actual Amount disbursed towards CSR in the FY 2025-26	Amount Utilized	Mode of Spending (Direct / Indirect)	Unspent/ over spent amount, if any (in MINR)
1	Item no. (II)	Youth Empowerment -Employment Enhancing Vocational Skills (On-going)	47	56.1	56.1	Indirect	(9.1)
2(a)	Item no. (III)	Promotion of Education - Scholarship for Girls (On-going)	34.6	35.5	35.5	Indirect	(0.9)
2(b)	Item no. (III)	Promotion of Education - STEM School Program (On-going)	19	19	19	Indirect	0.0
2(c)	Item no. (VII)	Promotion of Sports (On-going)	11	14.3	10.9	Indirect	(3.3)
3	Item no. (IV)	Environment - Ensuring Environmental Sustainability (On-going)	30	31.5	31.5	Indirect	(1.5)
4	Others	Other Expenses					
		Sub Total	141.6	156.4	156.4		(14.8)
5	Admin	Administrative Expenses (3% of CSR Budget)	4.1	4.4	4.4	Direct	(0.3)
		Total FY 2025-26	**145.7**	**160.8**	**160.8**		**(15.1)**

Note:

***1** Administrative Expenses of 4.4 MINR i.e. 3% against permissible limit of 5%.

***2** SKF CSR Overspent Amount of FY 2025-26 = 15.1 MINR.

As on 31st March, 2026, Total CSR amount remaining unspent for FY 2025-26 is **Nil.**

SKF India Limited's CSR Unspent Accounts have **Nil** balance as on 30th April, 2026.

(Aashi Arora) **(Ashwini Mavinkurve)**

ANNEXURE - D

Form No. AOC – 2

[Pursuant to clause(h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto

1. **Details of contracts or arrangements or transactions not at arm's length basis: NIL**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

2. **Details of material contracts or arrangement or transactions at arm's length basis**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
SKF GMBH Fellow Subsidiary Co. (under the common control of AB SKF)	In the nature of related to Administrative and Service Fees, Purchase of Capital Goods and Services, purchase of raw material, components, spares and finished goods, reimbursements paid, reimbursement received, technical and service income and sale of goods and services and any other business transactions on continuous basis.	FY 2025-26	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for FY 2025-26.	15th May, 2025	NIL
SKF Engineering and Lubrication India Private Limited (SELIPL). **Fellow subsidiary co (under the common control of AB SKF)**	in the nature of transactions related to Contract for Inter corporate loan & Interest, Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods, Reimbursements Paid, Reimbursements Received Technical and Service Income and Sale of Goods and services, Rent received and other services on continues basis.	FY 2025-26	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for FY 2025-26.	15th May, 2025	NIL

ANNEXURE - D (Contd.)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
SKF Asia Pacific Pte Ltd Fellow subsidiary co (under the common control of AB SKF)	in the nature of related to Administrative and Service Fees, Purchase of Capital Goods and Services, purchase of raw material, components, spares and finished goods, Reimbursements paid, Reimbursements received, technical and service income and sale of goods and services and any other business transactions on continuous basis.	FY 2025-26	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for FY 2025-26.	15th May, 2025	NIL
SKF India (Industrial) Limited (“Resulting Company”)	in pursuance to the demerger keeping in view the interim support needed by each of the entities (Demerged and Resulting Company), for raw material, stores, spares and other finished goods and entering into transactions (whether by way of an individual transaction or a series of transactions taken together) including availing / providing functional support / shared service transactions, availing / providing manufacturing support service transactions, purchase / sale of goods / materials, reimbursement/ recovery of expenses, or other transactions, not limited to Reimbursements of expenses paid, services provided under the Interim Service Agreement (“ISA”), Service provided in respect of non-consenting customers, Sales of traded goods and services, Reimbursements paid by SKF Industrial, services received under ISA, Purchase of products for non-consenting customers, Refund of deposit received from non-consenting customer, Purchase of traded goods and services, other services received/given on continuous basis.	FY 2025-26	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for FY 2025-26.	30th September, 2025	NIL

For and on behalf of the Board,
SKF India Limited
Gopal Subramanyam, Chairperson
DIN: 06684319

Place: Pune
Date: 13th May, 2026

ANNEXURE - E

Form No. AOC-1

[Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of *Companies (Accounts) Rules, 2014]*

Statement containing salient features of the financial statement of Subsidiaries or Associate companies or Joint ventures:

Part A: Subsidiaries-Subsidiary of the Company

Part A: Subsidiary - NA

(Amount in MINR)

Sr. No	Particulars	Name-1
1.	Name of the subsidiary	**SKF (Industrial) India Limited**
2.	The date since when subsidiary was acquired	NA
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
5.	Share capital	NA
6.	Reserves and surplus	NA
7.	Total assets	NA
8.	Total Liabilities	NA
9.	Investments	NA
10.	Turnover	NA
11.	Profit/ loss before taxation	NA
12.	Provision for taxation	NA
13.	Profit/loss after taxation	NA
14.	Proposed Dividend	NA
15.	Extent of shareholding (in percentage)	NA

1. Names of subsidiaries which are yet to commence operations: Not Applicable
2. Names of subsidiaries that have been liquidated or sold during the year.: Not Applicable

Note: SKF India (Industrial) Limited was subsidiary of the Company, w.e.f 1st October, 2025, SKF India Limited was demerged and SKF India (Industrial) Limited is a Resulting Company. SKF India (Industrial) Limited allotted shares to all shareholders of SKF India limited 1:1 as per the scheme of arrangement and shares of SKF India Limited is cancelled as on 17th October, 2025, please refer SE intimation dated 17th October, 2025 submitted by the Company.

ANNEXURE - E (Contd.)

Part B: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

(Amount in MINR)

Particulars	Name 1	Name 2
Name of the Associate or Joint Ventures	M/s. Sunstrength Renewables Private Limited	M/s Cleanmax Taiyo Private Limited
Latest audited Balance Sheet Date	31st March, 2026	31st March, 2026
Date on which the Associate or Joint Venture was associated or acquired	2nd December, 2020	31st March, 2023
Shares of Associate or Joint Ventures held by the company on the year end:		
a. **Number of Shares**	a) 5,99,625 Shares as on 31st March, 2026	a) 28,867 Shares as on 31st March, 2026
b. **Amount of Investment**	b) INR 47.9	b) INR 42.2
c. **Extent of Holding (in %)**	c) 26.74%	c) 26.00 %
Description of how there is significant influence	The Company has invested in the special purpose vehicle company, for purchase of electricity generated from captive solar power project, for Pune Plant of the Company in the year 2020.	The Company has invested in the special purpose vehicle company, for a captive generating plant for generation and supply of electricity to SKF for the Bangalore Plant.
Reason why the associate/Joint venture ls not consolidated	N.A	N.A
Net worth attributable to shareholding as per latest audited Balance Sheet	58.48	31.54
Profit or Loss for the year:		
a. Considered in Consolidation	0.82	(2.081)
b. Not Considered in Consolidation	2.25	(5.92)

1. Names of associates or joint ventures which are yet to commence operations: NA
2. Names of associates or joint ventures which have been liquidated or sold during the year. NA

Note: The above details are furnished as per the Unaudited Financial Statements of the Associate Company as on 31st March, 2026.

For and on behalf of the Board,

SKF India Limited

Gopal Subramanyam, Chairperson

DIN: 06684319

Place: Pune

Date: 13th May, 2026

ANNEXURE - F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
SKF India Limited
Chinchwad, Pune, Maharashtra -411033

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SKF India Limited** having CIN: L29130PN1961PLC213113 (Hereinafter called 'the Company').

Secretarial Audit was conducted for the period 1st April, 2025 to 31st March, 2026, in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances of the Company and for expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and representations made by the Management, I hereby report that in my opinion, the Company has, for the year ended 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the year ended 31st March, 2026 according to the provisions of the following list of laws and regulations:

(i) The Companies Act, 2013 (the Act) and the rules made there under, to the extend made effective and applicable to the Company;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **The Company is in the process of filing necessary returns with the Reserve Bank of India as on the date of this report.**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

1. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
2. SEBI (Prohibition of Insider Trading) Regulations, 2015;
3. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 **[To the extend applicable during the Review Period];**
4. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **[Not applicable to the Company during the audit period]**
5. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable to the Company during the audit period]**
6. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with the client; **[To the extend applicable during the Review Period]**
7. SEBI (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**
8. SEBI (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
9. SEBI (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;

(vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

ANNEXURE - F (Contd.)

(ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Committee and Board Meetings, agenda and detailed notes on agenda are sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

The decisions were passed by the Board members unanimously/by requisite majority and are recorded as part of minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. The Company convened a meeting of its Equity Shareholders and Creditors for approval of the Scheme of Arrangement between the Company and SKF India (Industrial) Limited, along with their respective Shareholders and Creditors under Sections 230 to 232 of the Act ("Scheme"), on 14th July, 2025 vide Order passed by the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"). The Scheme was sanctioned by the Hon'ble NCLT vide its Order dated 26th September, 2025 with the appointed and effective date being fixed as 1st October, 2025.

2. The Promoters and Promoter Group entered into the following transactions, being inter-se transfers of shares, which were within the exemption provided under Regulation 10(1)(a)(ii) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011:

Date of Transaction	Name of the Transferor	Name of the Transferee	No. of Shares Transferred	Percentage of Shareholding (%)
1st October, 2025	SKF (U.K.) Limited	Aktiebolaget SKF	31,29,581	6.33
1st October, 2025	SKF Forvaltning AB	Aktiebolaget SKF	1,96,423	0.40
22nd December, 2025	Aktiebolaget SKF	SKF Vertevo AB (Formerly known as SKF Interim AB)	2,59,92,059	52.58

3. The members vide Postal Ballot dated 15th November, 2025 approved Material Related Party Transactions with SKF India (Industrial) Limited by passing an Ordinary Resolution.

4. Changes in Board of Directors and Key Managerial Personnel of the Company are as under:

Sr. No.	Particulars	Effective Date
1.	Appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Director and Whole-time Director. *	13th February, 2025
2.	Cessation of Mukund Vasudevan (DIN: 05146681) as Managing Director.	30th September, 2025
3.	Cessation of Mr. Ashish Saraf as Chief Financial Officer.	30th September, 2025
4.	Cessation of Mr. Ranjan Kumar as Company Secretary & Compliance Officer.	30th September, 2025
5.	Appointment of Mr. Mukund Vasudevan (DIN: 05146681) as a Non-Executive Director. #	1st October, 2025
6.	Appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Managing Director. #	1st October, 2025
7.	Appointment of Ms. Aashi Arora as Interim Chief Financial Officer.	1st October, 2025
8.	Appointment of Ms. Mayuri Kulkarni as Company Secretary & Compliance Officer.	1st October, 2025

ANNEXURE - F (Contd.)

Sr. No.	Particulars	Effective Date
9.	Cessation of Ms. Kerstin Enochsson (DIN: 10774889) as a Non- Executive, Non-Independent Director.	12th January, 2026
10.	Cessation of Mr. Karl Robin Joakim Landholm (DIN: 09651911) as a Non-Executive, Non-Independent Director.	12th January, 2026
11.	Cessation of Mr. Mukund Vasudevan (DIN: 05146681) as a Non-Executive Director.	12th January, 2026
12.	Appointment of Mr. Antonio Molle (DIN: 11400478) as a Non-Executive, Non-Independent Director.@	13th January, 2026
13.	Appointment of Mr. Bastian Thomas (DIN: 11414682) as a Non-Executive, Non-Independent Director.@	13th January, 2026
14.	Appointment of Mr. Magnus Lennart Prick (DIN: 11342653) as a Non-Executive, Non-Independent Director.@	13th January, 2026

**Appointed by members vide Ordinary Resolution passed through Postal Ballot dated 30th April, 2025.*

#Appointed by members vide Ordinary Resolution passed through Postal Ballot dated 15th November, 2025.

@Appointed by members vide Ordinary Resolution passed through Postal Ballot dated 17th March, 2026.

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026
UDIN: F004266H000341581

Date: 13th May, 2026
Place: Pune

ANNEXURE - F (Contd.)

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF SKF INDIA LIMITED

(FY ENDED 31ST MARCH 2026)

AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter. In accordance with the ICSI Auditing Standards (CSAS-1 to CSAS-4), I wish to state as under-

1. The Secretarial Audit for the year ended 31st March, 2026 has been conducted as per the applicable Auditing Standards.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices that I followed provide a reasonable basis for my opinion that the statements prepared, documents or Records maintained by the Company are free from misstatement.
3. My responsibility is limited to only express my opinion on the basis of evidences collected, information received and Records maintained by the Company or given by the Management. I have not verified the correctness and appropriateness of the financial records and books of accounts maintained by the Company.
4. Wherever required, I have obtained the Management Representation about compliance of laws, rules and regulations and happening of events, etc.
5. The Compliance of the provisions of the Corporate Laws, other applicable laws, rules, regulations and standards is the responsibility of the management. My examination is limited to verification of procedure on test basis.
6. This Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026
Place: Pune
Date: 13th May, 2026

ANNEXURE - G

Secretarial Compliance Report of SKF India Limited

for the year ended 31st March, 2026

[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Jayavant B. Bhave, Proprietor of M/s. J. B. Bhave & Co., Company Secretaries, in whole time practice, have examined:

(a) all the documents and records made available to us and explanation provided by **SKF India Limited** ("the listed entity"),

(b) the filings/ submissions made by the listed entity to the stock exchanges,

(c) website of the listed entity,

(d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31st March, 2026 ("Review Period") in respect of compliance with the provisions of: -

(a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

(b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include: -

(a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[To the extend applicable during the Review Period]**

(c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable during the Review Period]**

(e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **[Not applicable during the Review Period]**

(f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **[Not applicable during the Review Period]**

(g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(h) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

(i) Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025; **[To the extend applicable during the Review Period]**

(j) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **[Not applicable during the Review Period]**

and circulars/ guidelines issued thereunder; and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

(b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations/ Remarks of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March 2025	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Comments of the PCS on the actions taken by the listed entity
	NIL	NIL	NIL	NIL	NIL	NIL

ANNEXURE - G (Contd.)

(c) I hereby report that, during the review period the compliance status of the listed entity with the following requirements:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	*Observations/ Remarks by PCS
1.	**Secretarial Standards:** The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI).	Yes	-
2.	**Adoption and timely updation of the Policies:** • All applicable policies under SEBI Regulations are adopted with the approval of Board of Directors of the listed entities. • All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per regulations/circulars/guidelines issued by SEBI.	Yes	-
3.	**Maintenance and disclosures on Website:** • The Listed entity is maintaining a functional website. • Timely dissemination of the documents/ information under a separate section on the website. • Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website.	Yes	-
4.	**Disqualification of Director:** None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013.	Yes	-
5.	**Details related to Subsidiaries of listed entities:** a) Identification of material subsidiary companies. b) Requirements with respect to disclosure of material as well as other subsidiaries.	NA	The Company does not have any material subsidiary.
6.	**Preservation of Documents:** The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under the LODR Regulations.	Yes	-
7.	**Performance Evaluation:** The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations.	Yes	-

ANNEXURE - G (Contd.)

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	*Observations/ Remarks by PCS
8.	**Related Party Transactions:** a) The listed entity has obtained prior approval of Audit Committee for all Related Party Transactions. b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ ratified/ rejected by the Audit Committee.	No Yes	The listed entity has obtained prior approval of Audit Committee for Related Party Transactions except that a few of the related party transactions were subsequently approved/ ratified by the Audit Committee during the review period.
9.	**Disclosure of events or information:** The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of the LODR Regulations within the time limits prescribed thereunder.	Yes	-
10.	**Prohibition of Insider Trading:** The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	-
11.	**Actions taken by SEBI or Stock Exchange(s), if any:** No actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder. (or) The actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges are specified in the last column.	Yes	No actions were taken by SEBI or Stock Exchanges during the review period.
12.	**Resignation of statutory auditors from the listed entity or its material subsidiaries:** In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	There were no such instances during the review period.
13.	**No additional non-compliances observed:** No additional non-compliance observed for any of the SEBI regulation/ circular/guidance note etc. except as reported above.	NA	There were no such instances during the review period.

*Observations/Remarks by PCS are mandatory if the compliance status is provided as ‘No’ or ‘NA’.

I further, report that the listed entity is in compliance/ not in compliance with the disclosure requirements of Employee Benefit Scheme Documents in terms of Regulation 46(2) (za) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. **[Not applicable during the Review Period]**

ANNEXURE - G (Contd.)

Assumptions & limitation of scope and review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the listed entity.
4. This report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (LODR) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
P.R. No.: 7781/2026
UDIN: F004266H000341691
Place: Pune
Date: 13th May, 2026

ANNEXURE - H

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V, Para C, Clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members,

SKF India Limited

Chinchwad, Pune - 411033, Maharashtra, India

I have examined the relevant registers, record, forms, returns and disclosures received from the Directors of **SKF India Limited** having CIN: L29130PN1961PLC213113 and having Registered Office at Chinchwad, Pune 411033, Maharashtra, India (hereinafter referred to as "the Company"), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment in the Company
1.	Mr. Subramanyam Gopal	Chairperson – Non-Executive, Independent Director	06684319	16th May, 2024$
2.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	00122052	16th May, 2024$
3.	Mr. Magnus Lennart Prick	Non-Executive, Non-Independent Director	11342653	13th January, 2026
4.	Mr. Bastian Thomas	Non-Executive, Non-Independent Director	11414682	13th January, 2026
5.	Mr. Antonio Molle	Non-Executive, Non-Independent Director	11400478	13th January, 2026
6.	Mr. Shailesh Kumar Sharma	Managing Director	09493881	1st October, 2025*
7.	Mr. Mukund Vasudevan	Non-Executive, Non-Independent Director	05146681	30th September, 2025#^
8.	Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director	09651911	28th June, 2022^
9.	Ms. Kerstin Enochsson	Non-Executive, Non-Independent Director	10774889	17th September, 2024^

$*Appointed as Non-Executive, Independent Director w.e.f 16th May, 2019 and re-appointed for 2nd term w.e.f 16th May, 2024.*

**Appointed as a Whole-Time Director w.e.f. 13th February, 2025 and as the Managing Director w.e.f. 1st October, 2025.*

#*Cessation as Managing Director w.e.f. 30th September 2025 and appointed as a Non-Executive, Non-Independent Director w.e.f. 1st October, 2025.*

^*Cessation as Non-Executive, Non-Independent Directors w.e.f. 12th January, 2026.*

ANNEXURE - H (Contd.)

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on the same based on my verification. This Certificate is specifically being issued in accordance with Regulation 34(3) read with Schedule V, Para-C, Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026
UDIN: F004266H00341691
Date: 13th May, 2026
Place: Pune

ANNEXURE - I

Statement of Disclosure of Remuneration Directors, Key Managerial Personnel and Employees and comparatives

[Pursuant to Section 197 of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

(A) the ratio of the remuneration of each Director & Key Managerial Personnel to the median remuneration of the employees of the company and the percentage increase in remuneration of each Director & Key Managerial Personnel for FY 2025-26

Sr. No	Name of Directors / KMPs	Designation	Ratio of remuneration to the median remuneration	Percentage increase in Remuneration (%)
1	Mr. Gopal Subramanyam	Chairperson, Non- Executive, Independent Director	1.31%	(44%)
2	Ms. Anu Wakhlu	Non-Executive, Independent Director	1.19%	(41%)
3	*Mr. Shailesh Sharma	Managing Director	8.8%	9%
4	** Mr. Antonio Molle	Non-Executive, Non-Independent Director	NA	NA
5	** Mr. Bastian Thomas	Non-Executive, Non-Independent Director	NA	NA
6	** Mr. Magnus Prick	Non-Executive, Non-Independent Director	NA	NA
7	# Ms. Aashi Arora	Interim Chief Financial Officer	1.94%	NA
8	# Ms. Mayuri Kulkarni	Company Secretary & Compliance officer	0.52%	NA

Notes:

1. Mr. Shailesh Sharma appointed as Managing Director w.e.f 1st October, 2025, before that he was working in the capacity of whole time director.
2. **Mr. Antonio Molle, Mr. Bastian Thomas and Mr. Magnus Prick appointed as Non-Executive, Non-Independent Director on the Board of the Company w.e.f. 13th January, 2026.
3. # Ms. Aashi Arora is appointed as Interim CFO and Ms. Mayuri Kulkarni is appointed as Company Secretary & Compliance Officer w.e.f 1st October, 2025.
4. Mr. Ashish Saraf has been resigned from the his CFO position w.e.f. 1st October, 2025 and Mr. Ranjan Kumar also resigned from his Company Secretary & Compliance Officer w.e.f. 1st October, 2025.
5. Mr. Mukund Vasudevan has resigned from the his Managing Directory Position w.e.f. 1st October, 2025.

(B) The percentage increase in remuneration of the Chief Financial Officer (CFO) and the Company Secretary (CS) in the financial year 2025-26: NA as both the KPMs have been appointed as KMP during the year

(C) The percentage increase in the median remuneration of employees in FY 2025-26: 23%

(D) The number of permanent employees on the rolls of company: 933

(E) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 14% and 9% respectively

(F) Affirmation that the remuneration is as per the remuneration policy of the company;

We hereby, affirm that remuneration paid to the Employees, Directors & Key Managerial Personnel is as per the Remuneration Policy of the Company. The statement containing names of top 10(ten) employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection and any Member interested in obtaining a copy of the same may write to the Company Secretary.

For and on behalf of the Board,
SKF India Limited
Gopal Subramanyam, Chairperson
DIN: 06684319
Place: Pune
Date: 13th May, 2026

ANNEXURE - J

TO THE DIRECTOR'S REPORT

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

Disclosures

A. CONSERVATION OF ENERGY

SKF India Limited Automotive has prioritized its sustainability initiatives to achieve its decarbonization and Net Zero GHG emission goals as a part of its clean and intelligent growth strategy. To reduce scope 1 & 2 emissions in our manufacturing processes major focus is now on eliminating fossil fuel usage, improving energy efficiency in our processes. These are the key strategies to substantially reduce energy usage. The major focus is on sourcing renewable energy in the form of solar and wind solar hybrid projects. SKF manufacturing sites worked extensively on bottom-up approach through energy saving idea generation sessions and identifying breakthrough technology projects to save energy.

1. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY.

Pune, Bangalore and Haridwar sites are ISO 50001 certified sites. They have a systematic energy management system in place and various energy conservation projects have been undertaken as mentioned below.

1.1 Pune

- Extensive energy review was conducted, and significant energy users were identified as per ISO50001 guidelines, such as grinding channels 45%, compressors 18%, Heat treatment 14 %, Centralized utilities 13%, HVAC 4.5% and others 6%.
- The idea generation session was conducted in the month of April 2025. The cross functional team identified 22 small energy saving projects that resulted in 1245 MWH of savings in energy consumption and 11 technology breakthrough projects with saving potential of 3010 MWH annually.
- A major energy saving breakthrough was achieved through commissioning of adsorption chiller with heat recovery from compressor and using water as natural refrigerant resulted in 340 MWH saving.
- Existing old AHUs were replaced by EC+ direct coupled fans with VFDs (11 Nos.) were replaced with an annual saving of 560 MWH.
- Heat treatment furnace insulation revamping carried out for 3 furnaces resulting in reduced thermal losses and subsequent energy consumption reduction. Planned maintenance activities were completed for all 7 furnaces.
- The team identified and closed more than 650 compressed air leakages, maintaining the specific energy consumption of compressors to 0.153 KW/CFM well below the target of 0.155 KW/CFM
- Specific electrical energy consumption was reduced from 12.9 (2024-25) to 12.6 (2025-26) MWH/MINR VASC, resulting in a reduction of 2.5% energy consumption over last financial year.
- Overall, the team completed 58 small energy conservation projects resulting in 364 MWH of savings and 11 breakthrough technology projects, saving 1414 MWH of energy.
- Power factor was maintained at near unity 0.995 PF for the complete year.
- As a part of fossil fuel elimination initiative, 3 heat treatment furnaces are made LPG free.

1.2 Bangalore

- Energy saving projects resulted in 1362 MWH of energy saving in Year 2025-26
- Specific electrical energy consumption was reduced from 13.64 (2024-25) to 11.42 (2025-26) MWH/MINR VASC, 6.4% reduction over 2024-25.
- FGC_ oscillation system – 2 speed brake induction motor converted to direct drive servo mechanism resulted 16 MWH/Year
- Comfort cooling automated motorized valve in Block 1 assembly zone – 54 MW
- HT – Quench Oil Air Blast cooler design conversion resulted 7.2 MW
- Permanent magnet motor in place of Induction motor – Pilot in Ch 8 SPC – 5 MW
- Leaks seek concept- around 740 points of Air leakage were arrested. Resulted in reducing noise intern reduction in energy per CFM.
- VFD Air cooled Dryer (BEKO) installed in place of water cooled resulted 36 MWH
- Shopfloor Kaizen Projects- 12 no, implemented across factory in various areas- 540 MWH

ANNEXURE - J (Contd.)

- Switching off conveyors during open variants, saving 45 MWH.
- SSB- 4 machine converted with servo driven roller screw & servo dresser motor, eliminated 40 bar hydraulic pump, resulted in 99 MWH of energy saving, having good potential to replicate in 26 machines including SSB+ SHG
- To reduce diesel consumption for running Diesel generators, additional 11KV express feeder was installed to overcome frequent electrical grid failure.

1.3 Haridwar

Haridwar team identified various energy saving projects for the year 2025-26 which yielded 460 MWH of savings. Following projects were completed.

- AHU fan upgradation from conventional to new generation EC pulse fan.
- HHE machine power pack elimination by hydro-pneumatics cylinder system.
- Utility's Central system auto temperature control system implementation.
- Chillers Efficiency improvement by implementation of automatic water treatment system improves the approach of chiller.
- Grinding Machine motors optimization and upgradation to IE3 class motors.

2. The steps taken by the company for utilizing alternate sources of energy.

As a part of achieving Net Zero in manufacturing sites, SKF India sites executed renewable energy sourcing projects.

Pune

- To achieve decarbonization, SKF signed VPPA fixed priced IREC project. This has increased renewable energy sourcing to 100% from January 2025 onwards. Around 25000 IRECs were purchased and more than 19.5 GWH renewable energy was generated and consumed through offsite & onsite solar projects.
- SKF Pune site is RE100 compliant.

Bangalore

- In the year 2025-26, SKF Bangalore sourced 21 GWH of renewable energy through Group captive wind solar hybrid project.
- Along with Onsite roof top solar, Bangalore site is sourcing more than 99% renewable energy for the last year
- To achieve decarbonisation, the site worked on HT Redundancy power to reduce fossil fuel consumption & move towards RE 100.

Haridwar

Haridwar site has purchased ~ 7500 IRECs to equivalent to its yearly consumption to ensure that scope 2 emissions are zero.

3. The capital investment on energy conservation equipment.

All the small energy saving projects completed in this financial year in Pune, Bangalore are completed on revenue budget. SKF has invested ~ 13 MSEK for energy saving project for adsorption chiller installation in Pune and air handling unit (AHU) energy improvement at Pune and Bangalore.

B. TECHNOLOGY ABSORPTION

1. THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION OF THE COMPANY

Product and Process Development/improvement and Import Substitution

1.1 Pune

(i) Product and Process Development/improvement and Import Substitution

- Through technological improvements, the semi-automatic HUB-3 channel was converted into a fully automatic channel, increasing production capacity from 0.36 Million pieces per year to 0.8 Million pieces per year
- Developed 15 New Products in DGBB, TRB and HUB
- Productivity Improvement in HUb by improving Cycle Time and reducing losses.
- Total 8 machines upgraded locally.

(ii) Imported Technology

Imported Grinding and Honing machine for new channel expansion.

(iii) The expenditure incurred on Research and Development

- Research and Development is done at group level

ANNEXURE - J (Contd.)

1.2. Bangalore

(i) Product and Process Development/improvement and Import Substitution

- Locally developed riveting visual inspection machine installed in ch-5
- Bearing washing machine -TWA post riveting process installed in ch-1,2, &8
- New MZU-N machines installed in channel-2 completed
- AE implementation 6 channels – Bore grinding implemented.
- AE implementation in 8 channels Inner race grinding machine
- FGC inner ring honing 4 to 6 rings p/c modification from 8 to 14 mm width completed
- Grinding stock allowance implemented in smaller types upto 47mm OD
- Machine upgrades completed for 23 machines
- New bearing type BB1-2787, developed in ch-2
- New DGBB types developed 6006 in ch-1
- As part of flexibility improvement 6203 in channel 2

(ii) Imported Technology

- All channels KK units modified KIFA (18 types- 36 units)

(iii) The expenditure incurred on Research and Development

- Research and Development is done at group level

1.3 Haridwar

(i) Product and Process Development/improvement and Import Substitution

- Capacity Improvement projects carried out to increase pure Output and OEE. Capacity increased by 3 Mpcs annually.
- New Product Development -Agile design developed in three material families.
- Radial clearance Inspection Machine and Breaking inspection machine developed.
- TMA washing machine installed at four channels.
- FSC Machine developed at Channel 3.
- Following machine up gradated to improve reliability of machine & Capacity with Quality
- Grinding Machine Upgradation in new tech PLC - 17nos
- Assembly machine upgradation in new tech PLC. - 7nos
- AHU fan upgradation in new tech EC pulse Fan.
- New Automatic water treatment system implementation.
- Online Axios sensor for vibration and temperature monitoring on grinding motos- 20 Nos
- Cost Reduction Projects by driving ICR Projects to save Direct Material cost (Cage, Ball, Seal & Rings), Value > 3 Msek
- Many cost saving projects were completed to reduce cost of Repair and Maintenance, Tooling & abrasives and other shop-supply costs, Value > 1 Msek

(ii) Imported Technology

a) MGO & MYD developed India.

b) TMA washing developed in India.

c) FSC machine developed in India.

d) Inspection equipment's – Support from QT

(iii) The expenditure incurred on Research and Development.

Research and Development is done at group level

(iii) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- The Company continues to explore new product range to the overseas customers. Major Exports are to automotive OEMs & Industrial aftermarket in Europe and also to Automotive & Industrial aftermarket customers in Europe and USA. In the current year, we developed and launched many new products for European and Indian automotive customers. Exports is Rs.3,251 MINR, which is about 9% per cent of the total sales.

ANNEXURE - J (Contd.)

As a result of Scheme of arrangement become effective, current year numbers are not comparable with those as at March 31, 2025.

The information on foreign exchange earnings and outgo is as below:.

Earnings in foreign exchange is Rs. 3,251 MINR which is about 9% per cent of the total sales, comprising of exports of Rs. 2,878 MINR and technical and other service income and reimbursement of expenses Rs. 372 MINR.

Outgo in foreign currency purchase of finished products Rs. 1,876 MINR; purchase of components, stores, capital goods Rs. 4,071 MINR; royalty Rs. 531 MINR, trademark fee Rs 343 MINR, IT services Rs. 440 MINR, professional fees, travel and other expenses Rs. 512 MINR and dividend remitted Rs. 377 MINR.

For and on behalf of the Board,
SKF India Limited

Gopal Subramanyam,
Chairperson
DIN: 06684319

Place: Pune
Date: 13th May, 2026

ANNEXURE - K

Declaration For Compliance with Code of Conduct

Pursuant to the Regulation 26(3) read with part D of schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 I hereby declare that Members of the board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the board of directors and senior management for the Financial Year ended 31st March, 2026.

For and on behalf of the
Board of Directors of SKF India Limited

Shailesh Kumar Sharma
Managing Director
DIN: 09493881
Date: 13th May, 2026
Place: Pune

ANNEXURE - L

I. Introduction

This Policy is called SKF India Limited – Dividend Distribution Policy (hereinafter referred to as 'this policy") and shall be effective from 13th February, 2017 (Effective Date)

II. Background

The policy is being adopted in compliance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (second amendment) Regulations, 2016 [SEBI].

III. Objective

The objective of "this Policy" is to define the various factors affecting the dividend decision i.e :

a. Defining the internal and external factors that shall be considered in the dividend decision

b. The financial parameters affecting the dividend decision

c. Policy regarding the utilization of retained earnings

d. The circumstances leading to the declaration of dividend or the lack of dividend.

IV. PHILOSOPHY OF THE POLICY

The Company strives to enhance stakeholder value for its investors and believes in the philosophy of maximisation of shareholders' wealth from a long term perspective. The Company believes that returning cash to shareholders by way of dividends is one of the important components of overall shareholder value creation.

V. Principles guiding Dividend Decision

The Company would , inter alia, consider the following financial parameters and / or internal and external factors while declaring or recommending dividend to the shareholders :

1. Reported Net Profit after Tax (PAT) available for distribution in the financial statements prepared in accordance with prescribed accounting standards for the current period.
2. Accumulated profits brought forward from prior years, available for dividend distribution, in accordance with the provisions of the Companies Act, 2013
3. Liquidity position and availability of free cash flows
4. Committed and projected cash flow needs to finance forecasted capital expenditure, network expansion, working capital requirements of the business, organic and inorganic growth opportunities
5. Optimal level of free cash to fund any emergencies in future
6. Earnings stability and fluctuations in business cycles
7. Regularity and stability in dividend payment
8. Prevailing legal requirements, regulatory conditions or restrictions laid down under the applicable laws, taxation policy
9. Contractual obligations / debt repayments, if any

In case the Board proposes not to declare any dividend in a particular year, the grounds thereof shall be disclosed by the Board to the shareholders in the Board Report forming part of the Annual Report of the Company for that year

The Company, at present has only one class of shares referred to as equity shares of the face value of INR 10 each. The Company may, in future, issue any other class of shares in which case the dividends declared on such other class of shares shall be consistent with "this policy" and/or rights and privileges associated with such new issuances

VI. Process for declaration of Dividend

The final dividend is declared at the Annual General Meeting of the shareholders on the basis of recommendations of the Board.

The Board may, at its discretion, also declare an interim dividend. The interim dividend if any will be considered based on the various parameters mentioned in this policy

The Board may recommend special dividend as and whenit deems fit.

VII. Amendments to this Policy

The Board of Directors will review this Policy as and when required and can modify/amend the policy depending on business need and external environment.

In case of any amendment(s), clarification(s), circular(s), notification(s), etc., issued by the relevant authorities, not being consistent with the provisions of this policy, such amendment(s), clarification(s), circular(s), etc. shall prevail over the provisions of this policy.

ANNEXURE – M

Business Responsibility Sustainability Report

SECTION A: GENERAL DISCLOSURES

I. **Details of the listed entity**

1 **NSE Symbol***: SKFINDIA

2 **BSE Scrip Code***: 500472

3 **MSEI Symbol***: NOTLISTED

4 **ISIN***: INE640A01023

5 **Corporate Identity Number (CIN) of the Listed Entity**: L29130PN1961PLC213113

6 **Name of the Listed Entity**: SKF INDIA LIMITED

7 **Date of Incorporation**: 12-04-1961

8 **Registered office address**: Chinchwad, Pune 411033, Maharashtra

9 **Corporate address**: Chinchwad, Pune 411033, Maharashtra

10 **E-mail**: InvestorIndia@skf.com

11 **Telephone**: 020 66112500

12 **Website**: https://www.skf.com/in/investors/skf-india-ltd

13

Financial year for which reporting is being done	Start date	End date
Current Financial Year	01-04-2025	31-03-2026
Previous Financial Year	01-04-2024	31-03-2025
Prior to Previous Financial year	01-04-2023	31-03-2024

14 **Name of the Stock Exchange(s) where shares are listed**

Details of the Stock Exchanges

Sr. No.	Name of the Stock exchange	Description of other stock exchange	Name of the Country
1	NSE		
2	BSE		

15 **Paid-up Capital (In Rs)**

494379630.00

16 **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report**

Name	Ashwini Mavinkurve
Contact	(+91) 20 66112623
E mail	InvestorIndia@skf.com

17 **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).**

Standalone basis

18 **Whether the company has undertaken assessment or assurance of the BRSR Core?**

Yes assurance

19 Name of assessment or assurance provider

Sr. No.	Company / LLP / Firm Name*	Company ID / LLP ID / Firm Registration No.*	Name of assessment or assurance provider	Designation of assessor or assurer	Date of signing
1	TÜV SÜD South Asia Pvt Ltd.		Prosenjit Mitra	General Manager - Verification, Validation and Audit	13th May 2026

20 Type of assessment or assurance obtained

Sr. No.	Particulars	Assessment / Assurance	If "Yes" selected in Partial Assessment / Assurance, please specify the Assessment / Assurance details	Remarks
Type of assessment or assurance obtained		Partial		
Section A : General Disclosures		Partial		
I	Details of the listed entity	Partial		
1	Corporate Identity Number (CIN) of the Listed Entity	No		
2	Name of the Listed Entity	No		
3	Date of Incorporation	No		
4	Registered office address	No		
5	Corporate address	No		
6	E-mail	No		
7	Telephone	No		
8	Website	No		
9	Financial year for which reporting is being done	No		
10	Name of the Stock Exchange(s) where shares are listed	No		
11	Paid-up Capital (In Rs)	No		
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	No		
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken, together).	No		

II Products/services

14 Details of business activities (accounting for 90% of the Turnover)

No

15 Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

No

III Operations

16 Number of locations where plants and/or operations/offices of the entity are situated

No

17 Markets served by the entity

No

Business Responsibility Sustainability Report (Contd.)

IV Employees

18 Details as at the end of Financial Year

No

19 Participation/Inclusion/Representation of women

No

20 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

No

V Holding, Subsidiary and Associate Companies (including joint ventures)

21 Names of holding / subsidiary / associate companies / joint ventures

No

VI CSR Details

22 Whether CSR is applicable as per section 135 of Companies Act, 2013 / Turnover / Networth

No

VII Transparency and Disclosures Compliances

23 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

No

24 Overview of the entity's material responsible business conduct issues - Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

No

Section B – Management & Process Disclosures

I Policy and management processes

1 Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs.

No

2 Whether the entity has translated the policy into procedures.

No

3 Do the enlisted policies extend to your value chain partners?

No

4 Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.

No

5 Specific commitments, goals and targets set by the entity with defined timelines, if any

No

6 Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.

No

II Governance, leadership and oversight

7 Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)

No

8 Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies)

No

9 Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues?

No

10(A) Details of Review of NGRBCs by the Company: Performance against above policies and follow up action

No

10(B) Details of Review of NGRBCs by the Company: Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances

No

11 Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?

No

12 If answer to question 1 above is No i.e. not all principles are covered by a policy reasons to be stated;

No

Section C – Principle Wise Performance Disclosures

Principle 1 – Essential Indicators

1 Percentage coverage by training and awareness programmes on any of the principles during the financial year - BOD/ KMP / Employees / Workers

No

2 Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website)

No

3 Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed

No

4 Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy

No

5 **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption**

No

6 **Details of complaints with regard to conflict of interest**

No

7 **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest**

No

8 **Number of days of accounts payables**

Yes - Reasonable

9 **Open-ness of business**

Yes - Reasonable

Principle 1 – Leadership Indicators

1 **Awareness programmes conducted for value chain partners on any of the principles during the financial year**

No

2 **Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board?**

No

Principle 2 – Essential Indicators

1 **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively**

No

2 **Does the entity have procedures in place for sustainable sourcing - if Yes, what %?**

No

3 **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste**

No

4 **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same**

No

Principle 2 – Leadership Indicators

1 **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

No

2 **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same**

No

3 **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry)**

No

4 **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:**

No

5 **Reclaimed products and their packaging materials (as percentage of products sold) for each product category**

No

Principle 3 – Essential Indicators

1 a. Details of measures for the well-being of employees b. Details of measures for the well-being of workers c. spending on measures towards well-being of employees and workers

Yes - Reasonable

2 **Details of retirement benefits, for Current FY and Previous Financial Year**

No

3 **Accessibility of workplaces Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard**

No

4 **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy**

No

5 **Return to work and Retention rates of permanent employees and workers that took parental leave**

No

6 **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief**

No

7 **Membership of employees and worker in association(s) or Unions recognised by the listed entity**

No

8 **Details of training given to employees and workers**

No

9 **Details of performance and career development reviews of employees and worker - Male /Female**

No

10 **Health and safety management system: a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system? b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

No

11 Details of safety related incidents, in the following format

Yes - Reasonable

12 Describe the measures taken by the entity to ensure a safe and healthy work place

No

13 Number of Complaints on the following made by employees and workers

No

14 Assessments for the year

No

15 Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions

No

Principle 3 – Leadership Indicators

1 Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

No

2 Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

No

3 Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

No

4 Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

No

5 Details on assessment of value chain partners

No

6 Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners

No

Principle 4 – Essential Indicators

1 Describe the processes for identifying key stakeholder groups of the entity

No

2 List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

No

Principle 4 – Leadership Indicators

1 **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board**

No

2 **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity**

No

3 **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups**

No

Principle 5 – Essential Indicators

1 **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

No

2 **Details of minimum wages paid to employees and workers, in the following format:**

No

3 **Details of remuneration/salary/wages, in the following format: a. median remuneration /wages b. gross wages paid to females as percentage of total wages**

Yes - Reasonable

4 **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

No

5 **Describe the internal mechanisms in place to redress grievances related to human rights issues**

No

6 **Number of Complaints on the following made by employees and workers:**

No

7 **Complaints filed under the sexual harassment of women at workplace**

Yes - Reasonable

8 **Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases**

No

9 **Do human rights requirements form part of your business agreements and contracts?**

No

10 **Assessments for the year**

No

11 **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above**

No

Business Responsibility Sustainability Report (Contd.)

Principle 5 – Leadership Indicators

1 **Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints**

No

2 **Details of the scope and coverage of any Human rights due-diligence conducted**

No

3 **Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?**

No

4 **Details on assessment of value chain partners:**

No

5 **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from No the assessments at Question 4 above**

No

Principle 6 – Essential Indicators

1 **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:**

Yes - Reasonable

2 **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under No the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any**

No

3 **Provide details of the following disclosures related to water, in the following format:**

Yes - Reasonable

4 **Provide the following details related to water discharged:**

Yes - Reasonable

5 **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and No implementation**

No

6 **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

No

7 **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following No format:**

Yes - Reasonable

8 **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details**

No

9 **Provide details related to waste management by the entity, in the following format:**

Yes - Reasonable

10 **Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and thepractices adopted to manage such wastes If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife**

No

11 **sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following form**

No

12 **Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the**

No

13 **Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA). If not, provide details of all such non-compliances, in the following format:**

No

Principle 6 – Leadership Indicators

1 **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres)**

No

2 **Please provide details of total Scope 3 emissions & its intensity, in the following format**

No

3 **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities**

No

4 **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format**

No

5 **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link**

No

6 **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard**

No

7 **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts**

No

8 **How many Green Credits have been generated or procured: a. By the listed entity b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners**

No

Principle 7 – Essential Indicators

1 a. **Number of affiliations with trade and industry chambers/ associations b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

No

2 **Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities**

No

Principle 7 – Leadership Indicators

1 **Details of public policy positions advocated by the entity**

No

Principle 8 – Essential Indicators

1 **Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year**

No

2 **Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:**

No

3 **Describe the mechanisms to receive and redress grievances of the community**

No

4 **Percentage of input material (inputs to total inputs by value) sourced from suppliers**

Yes - Reasonable

5 **Job creation in smaller towns**

Yes - Reasonable

Principle 8 – Leadership Indicators

1 **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above:**

No

2 **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies**

No

3 **(a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (b) From which marginalized /vulnerable groups do you procure?**

(c) What percentage of total procurement (by value) does it constitute?

No

4 **Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge**

No

5 **Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved**

No

6 **Details of beneficiaries of CSR Projects**

No

Principle 9 – Essential Indicators

1 **Describe the mechanisms in place to receive and respond to consumer complaints and feedback**

No

2 **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

No

3 **Number of consumer complaints in respect of the following:**

No

4 **Details of instances of product recalls on account of safety issues**

No

5 **Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy**

No

6 **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services**

No

7 **Provide the following information relating to data breaches: a. Number of instances of data breaches along-with impact b. Percentage of data breaches involving personally identifiable information of customers**

Yes - Reasonable

Principle 9 – Leadership Indicators

1 **Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available)**

No

2 **Steps taken to inform and educate consumers about safe and responsible usage of products and/or services**

No

3 **Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services**

No

4 **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole?**

No

Business Responsibility Sustainability Report (Contd.)

II. Products/services

21 Details of business activities (accounting for 90% of the turnover)

Sr. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Manufacturing and dealers of Bearings M	Manufacturing and Distribution of bearings, seals, lubrication systems, mechatronics, and related products and services.	100.00%

22 Products/Services sold by the entity (accounting for 90% of the entity's Turnover) Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

Sr. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Bearing and its components	2814	98.00%

NIC Code list link: https://www.ncs.gov.in/Documents/NIC_Sector.pdf

III. Operations

23 Number of locations where plants and/or operations/offices of the entity are situated

Location	Number of plants	Number of offices	Total
National	3	5	8
International	0	0	0

24 Markets served by the entity

A Number of locations

Locations	Number
National (No. of States)	31
International (No. of Countries)	34

B What is the contribution of exports as a percentage of the total turnover of the entity?

7%

C A brief on types of customers

SKF India Limited is a leading provider of technology and solutions in bearings, seals, lubrication systems, condition monitoring, and services. They cater to a diverse range of industries, offering sustainable solutions that enhance friction reduction, energy efficiency, and equipment longevity and reliability. In the automotive sector, their customers include manufacturers of two-wheelers, four-wheelers, heavy vehicles, and aftermarket services. In the industrial sector, their clientele spans the metal industry, railways, wind energy, general machinery, food and beverage industry, aerospace, agriculture, construction, and energy sectors. SKF India Limited's comprehensive solutions support companies in achieving significant advancements in efficiency and reliability across these sectors.

IV. Employees

25 Details as at the end of Financial Year

A. Employees and workers (including differently abled)

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	% (H / A)
	EMPLOYEES							
1	Permanent (D)	372	300	80.65%	72	19.35%	0	0.00%
2	Other than permanent (E)	243	189	77.78%	54	22.22%	0	0.00%
3	Total employees(D + E)	615	489	79.51%	126	20.49%	0	0.00%
	WORKERS							
4	Permanent (F)	598	596	99.67%	2	0.33%	0	0.00%
5	Other than permanent (G)	678	515	75.96%	163	24.04%	0	0.00%
6	Total workers (F + G)	1276	1111	87.07%	165	12.93%	0	0.00%

Note: *Previous year figures (743 Permanent Employees; 958 Permanent Workers) reflect the combined headcount of SKF India Limited and SKF (Industrial) India Limited prior to the demerger. Current year figures (372 Permanent Employees; 598 Permanent Workers) pertain to the continuing operations of SKF India Limited only and are not directly comparable.*

B. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female		Other	
			No. (B)	% (B / A)	No. (C)	% (C / A)	No. (H)	% (H / A)
	DIFFERENTLY ABLED EMPLOYEES							
1	Permanent (D)	1	1	100.00%	0	0.00%	0	0.00%
2	Other than Permanent (E)	0	0	0.00%	0	0.00%	0	0.00%
3	Total differently abled employees (D + E)	1	1	100.00%	0	0.00%	0	0.00%
	DIFFERENTLY ABLED WORKERS							
4	Permanent (F)	1	1	100.00%	0	0.00%	0	0.00%
5	Other than Permanent (G)	2	1	50.00%	1	50.00%	0	0.00%
6	Total differently abled workers (F + G)	3	2	66.67%	1	33.33%	0	0.00%

26 Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	6	1	16.67%
Key Management Personnel	2	2	100.00%

27 Turnover rate for permanent employees and workers (Disclose trends for the past 3 years)

	Turnover rate in current FY (2025-26)				Turnover rate in previous FY (2024-25)				Turnover rate in the year prior to the previous FY (2023-24)			
	Male	Female	Other	Total	Male	Female	Other	Total	Male	Female	Other	Total
Permanent Employees	6.90%	6.60%	0.00%	6.90%	8.00%	3.00%	0.00%	11.00%	17.00%	19.00%	0.00%	18.00%
Permanent Workers	270.00%	28.00%	0.00%	5.00%	1.00%	0.00%	0.00%	1.00%	6.40%	0.00%	0.00%	6.40%

FY 2025-26 turnover rates reflect the continuing operations of SKF India Limited. Accordingly, the current year's figures are not directly comparable with previous years due to the change in the reporting boundary.

Business Responsibility Sustainability Report (Contd.)

V. Holding, Subsidiary and Associate Companies (including joint ventures)

28 (a) Names of holding / subsidiary / associate companies / joint ventures

Sr. No.	Name of the holding / subsidiary/ associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	SKF Interim AB	Holding	52.58%	No
2	Sunstrength Renewables Private Limited	Associate	26.74%	No
3	Cleanmax Taiyo Private Limited	Associate	26.00%	No
4	SKF (Industrial) India Limited till 17th October 2025	Subsidiary	100.00%	No

VI. CSR Details

29

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)	Yes
(ii) Turnover (in Rs.)	35632900000
(iii) Net worth (in Rs.)	13294700000

The turnover reported above has been considered in accordance with the requirements of Section 135 of the Companies Act, 2013. Consequently, it may not be comparable with turnover figures disclosed elsewhere in this report, which are based on the applicable reporting boundary following the business restructuring.

VII. Transparency and Disclosures Compliances

30 Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct (If NA, then provide the reason)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No/NA)	(If Yes, then provide web-link for grievance redress policy)	FY (2025-26)			PY (2024-25)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	No		0	0	-	0	0	-
Investors (other than shareholders)	Yes	https://www.skf.com/in/investors/skf-india-ltd	0	0	-	0	0	-

Business Responsibility Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No/NA)	(If Yes, then provide web-link for grievance redress policy)	FY (2025-26)			PY (2024-25)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Shareholders	Yes	https://www.skf.com/in/investors/skf-india-ltd/shareholder-information	39	7	In FY 2025-26,1654 correspondences were received by the Company, out of which 1590 correspondences were replied to the satisfaction of shareholders during the year under review, balance. Of the balance 64 Outstanding correspondences as on 31st March 26 including 7 complaints received through Regulatory Bodies, 39 have been attended by 13th April 2026 and balance 18 are pending for action. For the 7 complaints received through Regulatory Bodies, ATRs have been uploaded and the same are pending for review and closure by SEBI.	14	0	In FY 2024-25, total 1640 correspondences were received by the Company, out of which 1611 correspondences were replied to the satisfaction of shareholders during the year under review and of the total 29 Outstanding correspondences as on March 31, 2025 and same had been replied by 23rd April, 2025 . There are no Outstanding Correspondence as on the date.
Employees and workers	Yes	https://cdn.skfmediahub.skf.com/api/ public/0901d196809a699a/pdf_preview_medium/0901d196809a699a_pdf_preview_medium.pdf	0	0	-	0	0	-

Business Responsibility Sustainability Report (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No/NA)	(If Yes, then provide web-link for grievance redress policy)	FY (2025-26)			PY (2024-25)		
			Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
	Yes	https://strapi.skfin.in/uploads/Fair_Practice_Code_and_Grievance_Redressal_Mechanism_English_fab480d296.pdf	298	7	The total number of customer complaints reported includes all categories of complaints, namely technical, delivery, and sales-related complaints, as recorded in the Customer Complaint Management System.	149	16	The total customer complaints considered under all categories namely technical , delivery and sales complaints which were logged in customer complaint management system
	Yes	https://www.skf.com/in/organisation/for-supplier	0	0	-	0	0	-

31 Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Customer performance	O	SKF India remains committed to delivering superior value to its customers by continuously enhancing its product portfolio and offering innovative, technology-driven solutions tailored to evolving market needs.	NA	Positive Implications
2	Economic Performance	O	As a profit-oriented enterprise, SKF India views financial performance as a key indicator of the economic value it creates for its stakeholders — including employees, shareholders, customers, and supply chain partners — and of its broader contribution to the economy.	NA	Positive Implications

Business Responsibility Sustainability Report (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
3	Occupational health and safety	R&O	The health, safety, and well-being of employees, contractual workers, agency staff, and visitors is a non-negotiable priority for SKF India. The organisation is committed to maintaining safe working environments that prevent occupational injuries, illnesses, and work-related hazards.	Workplace safety is governed through SKF's "SKF Care" principles for the workforce and "Business Care" for operations. All facilities maintain compliance with ISO 45001 occupational health and safety management standards.	Negative Implications
4	Energy and energy management	R&O	SKF India actively works toward minimising its environmental footprint by driving improvements in energy efficiency and reducing carbon emissions across its operational boundaries.	SKF India has operationalised a range of targeted strategies to reduce its direct and indirect carbon footprint, the details of which are disclosed under Principle 6 of this report.	Positive Implications
5	Supplier ESG (Environmenta, Social & Governance) performance	R&O	Supply chain sustainability is integral to building long-term business resilience. Aligning suppliers with SKF India's sustainability vision is essential for embedding responsible practices across the value chain and creating sustained stakeholder value.	SKF India engages closely with its supplier base to co-develop and monitor sustainability targets. A structured Supplier ESG Improvement Programme is in place, through which supplier-level ESG performance is assessed, tracked, and supported with corrective action plans where required.	Positive Implications
6	Anti-corruption	R&O	SKF India recognises the importance of balancing customer satisfaction, profitability, and shareholder returns while upholding the highest standards of ethical conduct and corporate governance across all business operations.	SKF India has a robust Code of Conduct (CoC) that sets out clear guidelines for transparent, fair, and accountable business practices. This includes adherence to the Fair Competition Directive and the Anti-Bribery and Anti-Corruption Directive, designed to prevent, detect, and mitigate corruption-related risks. All stakeholders are regularly sensitised on the CoC, and the organisation maintains a zero-tolerance policy toward any non-compliance.	Positive Implications

Business Responsibility Sustainability Report (Contd.)

Sr. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Water	R&O	Responsible water stewardship is a critical component of SKF India's operational sustainability strategy. Effective management of water-related risks supports both environmental compliance and long-term eco-efficiency across manufacturing and other operations.	SKF India identifies and monitors water-related risks through its integrated Sustainability, EHS, and Plant teams. These teams work collaboratively to assess exposure across energy, water, soil, and air dimensions, and implement appropriate risk mitigation measures at the facility level.	Positive Implications

Business Responsibility Sustainability Report (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	https://www.skf.com/in/investors/skf-india-ltd/shareholder-information								
2. Whether the entity has translated the policy into procedures. (Yes / No/ NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No/NA)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Business Responsibility Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	ISO 9001:2015, ISO 14001:2015, ISO 45001:2018, ISO 50001:2018, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, Science Based Targets initiative (SBTi), ResponsibleSteel™ Initiative, GRI Standards, NGRBC	ISO 9001:2015, ISO 50001:2018, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, SteelZero, RE100, Science Based Targets initiative (SBTi), ResponsibleSteel™ Initiative, LEED Certification, GRI Standards, NGRBC	ISO 45001:2018, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, ResponsibleSteel™ Initiative, LEED Certification, GRI Standards, NGRBC	OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, ResponsibleSteel™ Initiative, GRI Standards, NGRBC	ISO 45001:2018, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, ResponsibleSteel™ Initiative, GRI Standards, NGRBC	ISO 50001:2018, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, SteelZero, RE100, Science Based Targets initiative (SBTi), ResponsibleSteel™ Initiative, LEED Certification, GRI Standards, NGRBC	OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, ResponsibleSteel™ Initiative, GRI Standards, NGRBC	OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, ResponsibleSteel™ Initiative, GRI Standards, NGRBC	ISO 9001:2015, OECD Guidelines for Multinational Enterprises, UN Global Compact, UN Sustainable Development Goals, GRI Standards, NGRBC
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.						SKF India is committed to implementing its decarbonization strategy across all manufacturing facilities by 2030. SKF India has committed to achieving Net Zero greenhouse gas emissions across its value chain by 2050. SKF India aims to achieve Water Neutrality across all manufacturing facilities by 2030.			

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.						SKF India has achieved over 95% renewable energy sourcing across its total electricity requirement, demonstrating significant progress towards its decarbonization goals. Bangalore and Haridwar manufacturing facilities have achieved Water Neutrality and have received third-party certification. Critical suppliers have been identified, and supplier engagement programs for GHG emissions assessment and reduction have been initiated to support the Company's Net Zero value chain ambition.			

Business Responsibility Sustainability Report (Contd.)

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	Message from Managing Director is included in the section of 'Corporate overview'
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Ashwini Mavinkurve, Head - Sustainability & CSR, SKF India (Automotive) Limited
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No/ NA).	Yes
If yes, provide details.	SKF India's sustainability governance is overseen by a cross-functional board structure comprising Directors of Ethics, Legal, Sustainability, and Corporate Affairs, under the strategic supervision of the Managing Director and Executive Director. Executive leaders are responsible for regularly updating the Board on ESG performance and material topic management strategies, ensuring sustainability remains integral to corporate decision-making.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Director	Director	Director	Director	Director	Director	Director	Director	Director
Description of other committee for performance against above policies and follow up action									
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Director	Director	Director	Director	Director	Director	Director	Director	Director
Description of other committee for compliance with statutory requirements of relevance to the principles and rectification									
Frequency (Annually / Half yearly /Quarterly/ Any other-please specify)									
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Any other	Any other	Any other	Any other	Any other	Any other	Any other	Any other	Any other
Description of other committee for performance against above policies and follow up action	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular
Compliance with statutory requirements of relevance to the principles and rectification of any non-compliances	Any other	Any other	Any other	Any other	Any other	Any other	Any other	Any other	Any other

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee								
	P1	P2	P3	P4	P5	P6	P7	P8	P9
Description of other committee for compliance with statutory requirements of relevance to the principles and rectification	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular	Need based, Regular

	P1	P2	P3	P4	P5	P6	P7	P8	P9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If Yes, Provide name of the agency	No	No	No	No	No	No	No	No	No
12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:	All nine Principles under the National Guidelines on Responsible Business Conduct (NGRBCs) are covered by the Company's policies. Accordingly, Question 12 is not applicable. Independent third-party evaluation of policy implementation is not currently undertaken; however, internal review mechanisms and Board-level oversight ensure ongoing monitoring of policy adherence across all Principles.								
Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									
Notes									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. **Percentage coverage by training and awareness programmes on any of the Principles during the financial year:**

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	Ongoing Multiple trainings throughout the year.	CoC, Anti-Bribery Management System Cultural Leadership	100.00%

Business Responsibility Sustainability Report (Contd.)

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Key Managerial Personnel	Ongoing Multiple trainings throughout the year.	CoC, Skill Building, Leadership, Behavioural, Technical Induction	100.00%
Employees other than BoD and KMPs		Behavioural, Cultural Leadership ESG, CoC, Health & Safety, Integrated Waste Management, Anti-corruption and bribery, Export Control, Cyber security etc	100.00%
Workers		CoC, Health & Safety, Energy Efficiency, Integrated Waste Management Improvement, Skill Upgradation	100.00%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary				
NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
None	None	None	None	
None	None	None	None	
None	None	None	None	
Non- Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (In INR)**	**Brief of the Case**
Imprisonment	None	None	None	
Punishment	None	None	None	

3. **Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in case where monetary or non-monetary action has been appealed.**

   Not Applicable

4. **Does the entity have anti-corruption or anti-bribery policy?**

   Yes

   If Yes, provide details in brief

   Yes, anti-corruption and anti-bribery have been covered in our Code Of Conduct. We expect all employees to uphold the highest ethical standards in the disbursement of official duty. We actively work to prevent and detect any corruption in relation to external business partners: • Suppliers • Distributors, agents and other intermediaries • Customers

   Provide a web-link if the entity has anti-corruption or anti-bribery policy

   https://cdn.skfmediahub.skf.com/api/public/09e4bced595cf24e/pdf_preview_medium/09e4bced595cf24e_pdf_preview_medium.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:**

	FY (2025-26)	PY (2024-25)
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY (2025-26)		PY (2024-25)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	-	0	-
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	-	0	-

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. None**

8. **Number of days of accounts payables**

	FY (2025-26)	PY (2024-25)
i) Number of days of accounts payables	67	76

9. **Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format**

Parameter	Metrics	FY (2025-26)	PY (2024-25)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0.00%	0.00%
	b. Number of trading houses where purchases are made	0.00%	0.00%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0.00%	0.00%
Concentration of Sales	a. Sales to dealer / distributors as % of total sales	26.32%	33%
	b. Number of dealers / distributors to whom sales are made	450	629
	c. Sales to top 10 dealers / distributors as % of total sales to dealer / distributors	21.38%	22%
Share of RPTs in	a. Purchases (Purchases with related parties as % of Total Purchases)	56.25%	64%
	b. Sales (Sales to related parties as % of Total Sales)	17.61	9%
	c. Loans & advances given to related parties as % of Total loans & advances	0%	98%
	d. Investments in related parties as % of Total Investments made	100.00%	100%

Business Responsibility Sustainability Report (Contd.)

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY (2025-26)	PY (2024-25)	Details of improvements in environmental and social impacts
R&D	Nil	Nil	NA
Capex	8.00%	5.00%	NA

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

   Yes

   b. **If yes, what percentage of inputs were sourced sustainably?**

   80.00%3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for

(a) Plastics (including packaging)	SKF India endeavours to minimise plastic usage across its packaging operations by progressively substituting single-use plastics with recyclable and reusable alternatives. Plastic packaging waste generated at facilities and returned through the supply chain is segregated at source and channelled to authorised recyclers in compliance with the Plastic Waste Management Rules, 2016. The organisation is in the process of formalising a structured take-back mechanism for plastic packaging to further strengthen circularity in its packaging value chain.
(b) E-waste	E-waste arising from end-of-life electronic equipment, IT assets, and electrical components at SKF India's facilities is managed in accordance with the E-Waste (Management) Rules, 2022. Such waste is handed over exclusively to registered and authorised E-waste dismantlers and recyclers empanelled under the Extended Producer Responsibility (EPR) framework. Asset disposition follows a defined decommissioning procedure that prioritises reuse and refurbishment before recycling or disposal.
(c) Hazardous waste	Hazardous waste generated during manufacturing operations — including used oils, metal sludge, chemical residues, and contaminated consumables — is managed under the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. All hazardous waste streams are segregated, labelled, and stored in designated areas before being transferred to CPCB/SPCB-authorised treatment, storage, and disposal facilities (TSDFs). SKF India maintains complete documentation and manifests for all hazardous waste consignments to ensure traceability and regulatory compliance. Used process oil from customer sites is reconditioned through SKF's Recond Oil Service, which extends oil lifespan and maintains purity, thereby reducing the volume of hazardous waste requiring disposal.
(d) other waste	Other waste streams, including ferrous and non-ferrous metal scrap, defective components, and general industrial waste, are managed through a circularity-first approach. Defective and rejected bearings and steel components are routed back to authorised steel suppliers for recycling and repurposing, reducing virgin material consumption. SKF India also offers remanufacturing services for select bearing products, which extends product lifespan and significantly reduces material waste. The Rotating Equipment Performance (REP) business vertical further supports waste reduction through predictive maintenance and health monitoring of rotating equipment, preventing premature component failure and associated material waste.

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

   Yes

   If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards?

   Yes

   If not, provide steps taken to address the same.

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. **Details of measures for the well-being of employees:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent employees											
Male	300	300	100.00%	300	100.00%			300	100.00%	300	100.00%
Female	72	72	100.00%	72	100.00%	72	100.00%			72	100.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**372**	**372**	**100.00%**	**372**	**100.00%**	**72**	**100%**	**300**	**100%**	**372**	**100.00%**
Other than permanent employees											
Male	189	189	100.00%	189	100.00%			189	100.00%	189	100.00%
Female	54	54	100.00%	54	100.00%	54	100.00%			54	100.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**243**	**243**	**100.00%**	**243**	**100.00%**	**54**	**100%**	**189**	**100%**	**243**	**100.00%**

b. **Details of measures for the well-being of workers:**

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B / A)	Number (C)	% (C / A)	Number (D)	% (D / A)	Number (E)	% (E / A)	Number (F)	% (F / A)
Permanent workers											
Male	596	596	100.00%	596	100.00%			596	100.00%	596	100.00%
Female	2	2	100.00%	2	100.00%	2	100.00%			2	100.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**598**	**598**	**100.00%**	**598**	**100.00%**	**2**	**100%**	**596**	**100%**	**598**	**100.00%**
Other than permanent workers											
Male	515	515	100.00%	515	100.00%			515	100.00%	515	100.00%
Female	163	163	100.00%	163	100.00%	163	100.00%			163	100.00%
Other	0	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
Total	**678**	**678**	**100.00%**	**678**	**100.00%**	**163**	**100%**	**515**	**100%**	**678**	**100.00%**

C. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:**

	FY (2025-26)	PY (2024-25)
Cost incurred on wellbeing measures as a % of	0.07%	0.5%

Note: *The FY 2025-26 disclosure reflects the continuing operations of SKF India Limited following the business restructuring. Accordingly, the ratio is not directly comparable with the previous year.*

2. **Details of retirement benefits**

Benefits	FY (2025-26)			PY (2024-25)		
	No.of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No.of employees covered as a % of total employees	No.of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00%	100.00%	Yes	100.00%	100.00%	Yes
Gratuity	100.00%	100.00%	NA	100.00%	100.00%	NA
ESI	0.32%	0.50%	Yes	8.83%	16.50%	Yes

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

If not, Whether any steps are being taken by the entity in this regard.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?**

Yes

If so, provide a web-link to the policy.

Yes, the Code of Conduct affirms the Company's commitment to equal opportunity, inclusivity, and respect for human rights. The Company promotes fair employment practices and prohibits discrimination, harassment, or unequal treatment on any grounds, including disability, race, religion, gender, or other protected characteristics, across its operations and value chain. Code of Conduct - https://cdn.skfmediahub.skf.com/api/public/0901d19680bccd5f/pdf_preview_medium/0901d19680bccd5f_pdf_preview_medium.pdf

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100.00	100.00	100.00	100.00
Female	100.00	100.00	100.00	100.00
Other	0.00	0.00	100.00	100.00
Total	**100.00**	**100.00**	**100.00**	**100.00**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?**

Yes

If yes, give details of the mechanism in brief.	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes	Yes, the Company is committed to maintaining an inclusive workplace that promotes gender equality, respect, and dignity for all employees. Robust grievance redressal and whistleblower mechanisms are in place to enable the reporting and investigation of concerns related to misconduct, discrimination, harassment, or violations of the Code of Conduct. The Company ensures protection against retaliation and takes appropriate corrective and disciplinary actions where required. Additional information on human rights, child labour prevention, and non-discrimination is provided under Principle 5 of this report.

If yes, give details of the mechanism in brief.	Yes/No	(If Yes, then give details of the mechanism in brief)
Other than Permanent Workers	Yes	Yes, the Company is committed to maintaining an inclusive and equitable workplace through robust policies on gender equality, non-discrimination, and employee well-being. Formal grievance redressal and whistleblower mechanisms are in place to facilitate the reporting and investigation of concerns related to misconduct, unethical behaviour, or violations of the Code of Conduct. The Company ensures protection against retaliation and takes appropriate disciplinary action where required. Additional details on human rights, child labour prevention, and anti-discrimination measures are disclosed under Principle 5 of this report.
Permanent Employees	Yes	Yes, the Company promotes an open and inclusive work culture supported by policies on gender equality, non-discrimination, and employee well-being. Grievance redressal and whistleblower mechanisms are available to employees and other stakeholders to report concerns related to misconduct, unethical behaviour, or violations of the Code of Conduct. The Company ensures fair investigation of reported concerns, protection against retaliation, and appropriate disciplinary action where required. Details on child labour prevention and anti-discrimination measures are disclosed under Principle 5 of this Report.
Other than Permanent Employees	No	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY (2025-26)			PY (2024-25)		
	Total employees/workers in respective category (A)	No.of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No.of employees / workers in respective category,who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	372	0	0.00%	743	0	0.00%
Male	300	0	0.00%	606	0	0.00%
Female	72	0	0.00%	137	0	0.00%
Other	0	0	0.00%	0	0	0.00%
Total Permanent Workers	598	598	100.00%	958	958	100.00%
Male	596	596	100.00%	955	955	100.00%
Female	2	2	100.00%	3	3	100.00%
Other	0	0	0.00%	0	0	0.00%

Business Responsibility Sustainability Report (Contd.)

8. **Details of training given to employees and workers:**

Category	FY (2025-26)					PY (2024-25)				
	Total (A)	On Health and safety measures		On Skill up-gradation		Total (D)	On Health and safety measures		On Skill up-gradation	
		No. (B)	% (B / A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	300	191	63.67%	181	60.33%	627	627	100%	347	55.34%
Female	72	48	66.67%	48	66.67%	178	178	100.00%	93	52.25%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	**372**	**239**	**64.25%**	**229**	**61.56%**	**805**	**805**	**100%**	**440**	**54.66%**
Workers										
Male	596	596	100.00%	596	100.00%	919	919	100.00%	919	100.00%
Female	2	2	100.00%	2	100.00%	3	3	100.00%	3	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Total	**598**	**598**	**100.00%**	**598**	**100.00%**	**922**	**922**	**100.00%**	**922**	**100.00%**

9. **Details of performance and career development reviews of employees and worker:**

Category	FY (2025-26)			PY (2024-25)		
	Total (A)	No. (B)	% (B / A)	Total (D)	No. (E)	% (E / D)
Employees						
Male	300	282	94.00%	627	584	93.14%
Female	72	60	83.33%	178	149	83.71%
Other	0	0	0.00%	0	0	0.00%
Total	**372**	**342**	**91.94%**	**805**	**733**	**91.06%**
Workers						
Male	596	0	Nil	919	0	Nil
Female	2	0	Nil	3	0	Nil
Other	0	0	0.00%	0	0	0.00%
Total	**598**	**598**	**Nil**	**922**	**0**	**Nil**

*Note: The FY 2025-26 disclosure reflects performance and career development reviews conducted for employees of the continuing operations of SKF India (Automotive) Limited following the business restructuring.*10. Health and safety management system:

a. **Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No/ NA).**

Yes

If yes, the coverage such system?

The Company is committed to providing a safe, healthy, and secure workplace, with the objective of preventing occupational injuries, illnesses, and work-related incidents. Health and safety considerations are integrated into operational processes through established management systems, controls, and continuous improvement initiatives aimed at mitigating workplace risks and enhancing employee well-being. The Company's Environment, Health, and Safety (EHS) framework is supported by internationally recognized management systems and encompasses the identification, assessment, and mitigation of occupational health and safety risks across operations. Safe work procedures, emergency preparedness measures, periodic risk assessments, and preventive controls are implemented to ensure a safe working environment.

Regular management reviews, internal assessments, compliance evaluations, and safety audits are conducted to monitor performance, identify improvement opportunities, and strengthen the effectiveness of existing controls. The Company also promotes a strong safety culture through employee training, awareness programmes, safety campaigns, and engagement initiatives designed to enhance safety consciousness and encourage proactive risk management. Any workplace incidents are thoroughly investigated to identify root causes and implement corrective and preventive actions. The Company remains focused on continuous improvement in health and safety performance and is dedicated to fostering a workplace where the well-being and safety of all employees are prioritized.

b. **What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity? The Company adopts a structured risk assessment approach to identify, evaluate, and manage occupational health, safety, and environmental risks across its operations.**

Potential hazards are systematically assessed, and appropriate mitigation measures are implemented to minimize risks and enhance workplace safety. Comprehensive emergency preparedness and response procedures are established to address potential incidents such as fires, chemical spills, workplace accidents, electrical hazards, natural disasters, and other emergency situations. Emergency response plans define preventive controls, response protocols, and roles and responsibilities to ensure effective incident management. To strengthen preparedness and resilience, the Company conducts periodic mock drills, safety inspections, compliance reviews, and internal and external audits to evaluate the effectiveness of emergency response measures and risk controls. Insights from these assessments are utilized to drive continuous improvement in the Company's health, safety, and environmental management practices and to enhance overall operational resilience.

c. **Whether you have processes for workers to report the work related hazards and to remove themselves from such risks?**

Yes

d. **Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?**

Yes

11. **Details of safety related incidents, in the following format:**

Safety Incident/Number	Category*	FY (2025-26)	PY (2024-25)
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.53	0.00
	Workers	0.17	0.28
Total recordable work-related injuries	Employees	2	0
	Workers	1	2
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. **Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company recognizes its employees as a key driver of long-term success and is committed to fostering a workplace that supports their health, safety, well-being, and professional development. Employee well-being is embedded within the Company's business practices, with a focus on creating a safe, inclusive, and engaging work environment. To strengthen awareness and promote responsible business conduct, the Company conducts regular training programmes, awareness initiatives, and capacity-building sessions covering health, safety, ethics, compliance, and other relevant workplace topics. Appropriate policies, procedures, and safeguards are implemented to protect employees, support their overall well-being, and ensure a positive work environment while meeting business and stakeholder expectations. Through continuous investment in employee development, engagement, and well-being initiatives, the Company aims to create a workplace that encourages learning, collaboration, and growth, thereby contributing to organizational resilience and sustainable business performance.

Business Responsibility Sustainability Report (Contd.)

13. Number of Complaints on the following made by employees and workers:

	FY (2025-26)			PY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0		0	0	
Health & Safety	0	0		0	0	

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100.00%
Working Conditions	100.00%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

None

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. **Describe the processes for identifying key stakeholder groups of the entity.**

The Company has established a structured stakeholder engagement process to identify, understand, and address the expectations and concerns of its key stakeholder groups. The process is designed to foster transparency, mutual trust, and long-term value creation while supporting the Company's sustainability objectives. The stakeholder engagement process includes the following steps: Identification and prioritization of stakeholders based on their influence on, and impact from, the Company's operations and activities. Assessment of stakeholder expectations and material concerns through regular interactions, surveys, meetings, consultations, and feedback mechanisms. Alignment of business practices and sustainability initiatives with stakeholder expectations and applicable regulatory requirements.

Assignment of designated representatives and communication channels to facilitate ongoing engagement and timely resolution of stakeholder concerns. Regular engagement and dialogue with stakeholders through appropriate forums, meetings, reviews, training programs, disclosures, and other communication platforms. Collection and evaluation of stakeholder feedback to identify opportunities for improvement and strengthen business performance. Integration of stakeholder inputs into decision-making processes, risk management, and sustainability strategies to create shared value. Periodic review of stakeholder concerns and engagement outcomes to ensure continuous improvement in stakeholder relationships and sustainability performance.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
1	Local Community around plant	No	Other	Social media	Others – please specify	Regular, NeedBased	Environmental and social impacts of SKF India operations
2	CSR Beneficiaries	Yes	Other	Emails, Feedback Forms, Phone Calls, Physical Visits & Meetings	Others – please specify	Monthly	The Company's community development initiatives are focused on: Enhancing employability and promoting entrepreneurship through skill development and vocational training programmes for youth. Supporting access to higher education for girl students through scholarship and educational assistance programmes. Strengthening analytical, scientific, and problem-solving capabilities among school children through STEM (Science, Technology, Engineering, and Mathematics) education initiatives. Promoting environmental sustainability and public health by supporting responsible waste management practices and initiatives aimed at reducing the adverse impacts of improper disposal of domestic waste on land, air, and water resources.
3	Associate Partners/NGO's	No	Other	Emails, Telecommunication, Team Meetings and Physical Meetings	Others – please specify	Monthly	(i) CSR Programmed Need Assessment, Budgeting, Implementation (ii) Monitoring, Evaluations, Impact Assessment, Reporting and Compliances
4	Union/State Government	No	Other	Email, telecommunication	Annually		(i) Collaboration for project execution (ii) Policy advocacy and sectoral developments
5	Employee and unions	No	Other	Meetings, Email and Newsletters	Quarterly		(i) Aligning with business priorities, Employee health and safety, grievances (ii) Employee engagement and training programmers, Employee well-being

Business Responsibility Sustainability Report (Contd.)

Sr. No.	Stakeholder Group	Whether identified as Vulnerable & Marginalized Group	Channels of communication	Details of Other Channels of communication	Frequency of engagement	Details of Other Frequency of engagement	Purpose and scope of engagement including key topics and concerns raised during such engagement
6	Shareholders, investors, and analysts	No	Other	Annual General Meetings, Investor Earnings calls, Analyst meets, Presentations before Investor Meets and Earnings Calls,Transcripts/ recordings of investor calls, Public disclosures and reports, including Annual Report, Quarterly Results , BRSR, Media releases, Website of the Company, Social Media.	Others – please specify	Annually/Half yearly/Quarterly/ Need-Based	(i) Appraise about Company's periodic results and disclosures (ii) Improve their understanding of SKF's ESG commitments and performance
7	Customers, dealers, and distributors	No	Other	Emails, Mass emailers and Websites	Quarterly		(i) Customer Relationship Management, Enhancing customer experience (ii) Understanding market conditions and requirements
8	Suppliers and vendors	No	Other	Emails, Mass emailers Websites	Quarterly	(i) Mutual sharing of needs and expectations (ii) Quality, cost, and delivery improvement (iii) Share knowledge and best practices, vendor recognition (iv) Strategic partnerships and value creation	(v) Responsible sourcing (vi) Implementing CoC (Code ofConduct) for suppliers

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY (2025-26)			PY (2024-25)		
	Total (A)	No. of employees/ workers covered (B)	% (B / A)	Total (C)	No. of employees/ workers covered (D)	% (D / C)
Employees						
Permanent	372	372	100.00%	805	805	100.00%
Other than permanent	243	243	100.00%	448	448	100.00%
Total Employees	**615**	**615**	**100.00%**	**1253**	**1253**	**100.00%**
Workers						
Permanent	598	598	100.00%	922	922	100.00%
Other than permanent	678	678	100.00%	1219	1219	100.00%
Total Workers	**1276**	**1276**	**100.00%**	**2141**	**2141**	**100.00%**

2. **Details of minimum wages paid to employees and workers, in the following format:**

Category	FY (2025-26)					PY (2024-25)				
	Total (A)	Equal to Minimum Wage		Equal to Minimum Wage		Total (D)	More than Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C /A)		No. (E)	% (E /D)	No. (F)	% (F /D)
Employees										
Permanent	372	0	0.00%	372	100.00%	805	0	0.00%	805	100.00%
Male	300	0	0.00%	300	100.00%	627	0	0.00%	627	100.00%
Female	72	0	0.00%	72	100.00%	178	0	0.00%	178	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent	243	0	0.00%	243	100.00%	448	0	0.00%	448	100.00%
Male	189	0	0.00%	189	100.00%	322	0	0.00%	322	100.00%
Female	54	0	0.00%	54	100.00%	126	0	0.00%	126	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Workers										
Permanent	598	0	0.00%	598	100.00%	922	0	0.00%	922	100.00%
Male	596	0	0.00%	596	100.00%	919	0	0.00%	919	100.00%
Female	2	0	0.00%	2	100.00%	3	0	0.00%	3	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%
Other than Permanent	678	0	0.00%	678	100.00%	1219	0	0.00%	1219	100.00%
Male	515	0	0.00%	515	100.00%	947	0	0.00%	947	100.00%
Female	163	0	0.00%	163	100.00%	272	0	0.00%	272	100.00%
Other	0	0	0.00%	0	0.00%	0	0	0.00%	0	0.00%

3. **Details of remuneration/salary/wages, in the following format:**

   a. **Median remuneration / wages:**

	Male		Female		Other	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	5	9463401	1	2388868	0	0
Key Managerial Personnel	1	18071801	2	5259305	0	0
Employees other than	265	2183173	61	1692989	0	0
BoD and KMP Workers	598	735331	1	505305	0	0

   b. **Gross wages paid to females:**

	FY (2025-26)	PY (2024-25)
Gross wages paid to females (Gross wages paid to females as % of total wages)	8.98%	13.93%

Note: The FY 2025-26 disclosure reflects the continuing operations of SKF India Limited following the business restructuring. Accordingly, the figures are not directly comparable with the previous year.

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?**

   Yes

5. **Describe the internal mechanisms in place to redress grievances related to human rights issues.**

   The Company has established formal grievance redressal mechanisms to enable employees and other stakeholders to raise concerns related to human rights, workplace practices, discrimination, harassment, and other ethical matters.

   Employees may report grievances through designated reporting channels, including Human Resources, plant/site management, employee representatives, and other established communication mechanisms. All reported concerns are reviewed through defined procedures to ensure fair, timely, and confidential resolution. Appropriate corrective and preventive actions are implemented wherever required. The Company also extends its commitment to human rights across its value chain through responsible sourcing practices. Suppliers are expected to comply with the requirements set out in the Supplier Code of Conduct, which covers key human rights aspects including prohibition of child labour and forced labour, non-discrimination, fair treatment, legal wages and benefits, working hours, and occupational health and safety. Supplier assessments, audits, and engagement activities are conducted to identify and address potential human rights risks within the supply chain, and corrective action plans are implemented where necessary to strengthen compliance with the Company's human rights expectations.

6. **Number of Complaints on the following made by employees and workers:**

	FY (2025-26)			PY (2024-25)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	0	0	0	0
Discrimination at workplace	0	0	0	0	0	0
Child Labour	0	0		0	0	0
Forced Labour/Involuntary Labour	0	0	0	0	0	0
Wages	0	0		0	0	0
Other human rights related issues	0	0	0	0	0	0

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY (2025-26)	PY (2024-25)
i) Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
ii) Average number of female employees/workers at the beginning of the year and as at end of the year	199	
iii) Complaints on POSH as a % of female employees / workers	0.00%	0.00%
iv) Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Company has established mechanisms to ensure that individuals reporting concerns related to discrimination, harassment, human rights violations, unethical conduct, or breaches of the Code of Conduct are protected from retaliation, victimization, or any adverse consequences arising from such reporting. Employees and other stakeholders are encouraged to raise concerns through designated grievance redressal and whistleblower channels. Multiple reporting mechanisms, including confidential and, where permitted, anonymous reporting options, are available to facilitate the reporting of concerns without fear of reprisal. All reported complaints are reviewed and investigated in a fair, impartial, and confidential manner through established procedures. Appropriate governance oversight is maintained through the involvement of relevant management personnel and oversight committees, where applicable. The Company follows a zero-tolerance approach towards retaliation, discrimination, or harassment against individuals who report concerns in good faith. Appropriate corrective and disciplinary actions are taken in accordance with established policies and grievance resolution procedures whenever violations are substantiated.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No/NA)

Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100.00%
Forced/involuntary labour	100.00%
Sexual harassment	100.00%
Discrimination at workplace	100.00%
Wages	100.00%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

Not Applicable There were no significant risk/concerns identified during the assessments.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Whether total energy consumption and energy intensity is applicable to the company?

Yes

Business Responsibility Sustainability Report (Contd.)

Revenue from operations (in Rs.)

Parameter	Units	FY (2025-26)	PY (2024-25)
From renewable sources			
Total electricity consumption (A)	Gigajoule (GJ)	84505.79	159358.00
Total fuel consumption (B)	Gigajoule (GJ)	0.00	0.00
Energy consumption through other sources (C)	Gigajoule (GJ)	60594.89	0.00
Total energy consumed from renewable sources (A+B+C)	Gigajoule (GJ)	145100.68	159358.00
From non-renewable sources			
Total electricity consumption (D)	Gigajoule (GJ)	76372.61	98844.00
Total fuel consumption (E)	Gigajoule (GJ)	4587.4	10410.00
Total energy consumed from non-renewable sources (D+E+F)	Gigajoule (GJ)	80960.01	109254.00
Total energy consumed (A+B+C+D+E+F)	Gigajoule (GJ)	226060.69	268612.00
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	Gigajoule (GJ) / Mn INR	10.61	5.46
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Gigajoule (GJ) / Rs.	213	110.29
Energy intensity in terms of physical Output	Gigajoule (GJ)/1000 Bearings	1.91	1.30

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes

If yes, name of the external agency.

TÜV SÜD South Asia Pvt Ltd.

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

No

Note: The revenue from operations for FY 2025-26 used for computing energy intensity ratios represents the standalone revenue of SKF India Limited (continuing operations) post-demerger. The reduction in total energy consumption from 268,612 GJ (FY 2024-25) to 165,391.94 GJ (FY 2025-26) is partly attributable to the demerger of SKF (Industrial) India Limited effective 17th October 2025, resulting in fewer operational facilities within the current year reporting boundary. Intensity values for FY 2025-26 are not directly comparable with prior year figures.

Note: Purchasing Power Parity (PPP) conversions have been carried out using the World Bank GDP PPP Conversion Factor (Indicator: PA.NUS.PPP). A PPP conversion factor of 20.09 INR per international dollar for 2025 has been applied for all PPP-adjusted calculations.

Note: Physical output intensity has been calculated based on the total production of bearings across the continuing operations of SKF India Limited during FY 2025-26. Owing to the change in the reporting boundary following the business restructuring, the current year's intensity ratios are not directly comparable with the previous year.

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY (2025-26)	PY (2024-25)
Water withdrawal by source (in kilolitres)		
(i) Surface water	0	0.00
(ii) Groundwater	10914.00	18782.00
(iii) Third party water	156564.6	190376.00
(iv) Seawater / desalinated water	0.00	0.00
(v) Others	0.00	0.00
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	167478.6	201958.00
Total volume of water consumption (in kilolitres)	167478.6	201958.00
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)	7.86	4.25
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	148	85.88
Water intensity in terms of physical output	1.41	0.98
Water intensity (optional) – the relevant metric may be selected by the entity	0.00	0.00

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency.

Yes - TÜV SÜD South Asia Pvt Ltd.

Note: The revenue from operations for FY 2025-26 used for computing water intensity ratios represents the standalone revenue of SKF India Limited (continuing operations) post-demerger. The reduction in total water consumption from 201,958 KL (FY 2024-25) to 157,452.71 KL (FY 2025-26) is partly attributable to the reduced operational boundary following the demerger of SKF (Industrial) India Limited. Prior year intensity values are not directly comparable with current year figures.

Note: Purchasing Power Parity (PPP) conversions have been carried out using the World Bank GDP PPP Conversion Factor (Indicator: PA.NUS.PPP). A PPP conversion factor of 20.09 INR per international dollar for 2025 has been applied for all PPP-adjusted calculations.

Note: Physical output intensity has been calculated based on the total production of bearings across the continuing operations of SKF India Limited during FY 2025-26. Owing to the change in the reporting boundary following the business restructuring, the current year's intensity ratios are not directly comparable with the previous year.

4. **Provide the following details related to water discharged:**

Parameter	FY (2025-26)	PY (2024-25)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(ii) To Groundwater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iii) To Seawater	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(iv) Sent to third-parties	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
(v) Others	0.00	0.00
No treatment	0.00	0.00
With treatment – please specify level of treatment	0.00	0.00
Total water discharged (in kilolitres)	**0.00**	**0.00**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

Yes - TÜV SÜD South Asia Pvt Ltd.

If yes, name of the external agency.

5. **Has the entity implemented a mechanism for Zero Liquid Discharge?** If yes, provide details of its coverage and implementation.

   Yes

   SKF India has implemented measures to promote responsible water management and minimize wastewater discharge across its operations. Wastewater generated from manufacturing and domestic activities is treated through dedicated Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) installed at operational locations. The treated water is reused for suitable applications such as gardening and landscaping, thereby reducing freshwater consumption and supporting resource conservation. Through these initiatives, the Company aims to enhance water-use efficiency, reduce environmental impact, and strengthen its commitment to sustainable water stewardship.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

   Whether air emissions (other than GHG emissions) by the entity is applicable to the company?

   Yes

Parameter	Please specify unit	FY (2025-26)	PY (2024-25)
NOx	Tonne	0.37	0.48
SOx	Tonne	0.09	0.10
Particulate matter (PM)	Tonne	0.09	7.03
Persistent organic pollutants (POP)	Tonne	0.00	0.00
Volatile organic compounds (VOC)	Tonne	0.00	0.00
Hazardous air pollutants (HAP)	Tonne	0.00	0.00

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

   Yes - TÜV SÜD South Asia Pvt Ltd.

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

   Whether greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity is applicable to the company?

   Yes

Parameter	Unit	FY (2025-26)	PY (2024-25)
Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	$MtCO_2e$	240.02	667.00
Total Scope 2 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	$MtCO_2e$	0.00	19950.00
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	Mt-CO_2e / Rs.	0.11	0.42
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)	Mt-CO_2e / Rs.	0.23	8.46
Total Scope 1 and Scope 2 emission intensity in terms of physical output	$MtCO_2e$	0.002	0.097
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity			

   Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N)

   Yes

   If yes, name of the external agency.

   TÜV SÜD South Asia Pvt Ltd.

Note: Scope 2 emissions for FY 2025-26 are reported as zero, reflecting the Company's transition to 100% renewable electricity procurement through International Renewable Energy Certificates (I-RECs) and Power Purchase Agreements (PPAs) for the continuing operations during the reporting year. The revenue used for intensity computation represents the standalone revenue of SKF India Limited (continuing operations) post-demerger. The reduction in Scope 1 emissions from 667 $MtCO_2e$ (FY 2024-25) to 240.02 $MtCO_2e$ is attributable to a combination of the demerger effect and the Company's renewable energy transition. Intensity values are not directly comparable with prior year figures.

Note: Purchasing Power Parity (PPP) conversions have been carried out using the World Bank GDP PPP Conversion Factor (Indicator: PA.NUS.PPP). A PPP conversion factor of 20.09 INR per international dollar for 2025 has been applied for all PPP-adjusted calculations.

Note: Physical output intensity has been calculated based on the total production of bearings across the continuing operations of SKF India Limited during FY 2025-26. Owing to the change in the reporting boundary following the business restructuring, the current year's intensity ratios are not directly comparable with the previous year.

8. **Does the entity have any project related to reducing Green House Gas emission?** If Yes, then provide details.

   Yes

   SKF India is committed to reducing its greenhouse gas emissions and advancing its long-term climate objectives through a combination of renewable energy adoption and energy efficiency initiatives. As part of its decarbonization strategy, the Company is increasing the share of renewable energy in its operations through mechanisms such as Power Purchase Agreements (PPAs) and other clean energy sourcing arrangements. In addition, the Company is implementing energy efficiency improvement projects across key operational areas, including utilities, compressed air systems, heat treatment processes, and manufacturing operations, to optimize energy consumption and enhance operational performance. These initiatives support the Company's efforts to reduce its carbon footprint, improve resource efficiency, and contribute to broader sustainability and climate action goals.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY (2025-26)	PY (2024-25)
Total Waste generated (in metric tonnes)		
Plastic waste (A)	89.9	84.90
E-waste (B)	9.48	10.10
Bio-medical waste (C)	0.07	0.00
Construction and demolition waste (D)	0	0.00
Battery waste (E)	1.11	0.00
Radioactive waste (F)	0	0.00
Other Hazardous waste. Please specify, if any. (G)	3140.08	3051.00
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2045.2	2004.00
Total (A+B + C + D + E + F + G + H)	**5285.84**	**5150.00**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.25	0.10
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	4.99	2.11
Waste intensity in terms of physical output	0.045	0.024
Waste intensity (optional) – the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		

Business Responsibility Sustainability Report (Contd.)

Parameter	FY (2025-26)	PY (2024-25)
Category of waste		
(i) Recycled	3138.45	3054.00
(ii) Re-used	0.00	0.00
(iii) Other recovery operations	0.00	0.00
Total	**3138.45**	**3054.00**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0.00	1853.00
(ii) Landfilling	0.00	243.00
(iii) Other disposal operations	2064.83	0.00
Total	**2064.83**	**2096.00**

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes - TÜV SÜD South Asia Pvt Ltd.

Note: The revenue from operations for FY 2025-26 used for computing waste intensity ratios represents the standalone revenue of SKF India Limited (continuing operations) post-demerger. Changes in total waste generated reflect the combined effect of the de-merger of SKF (Industrial) India Limited (reduced operational boundary) and the Company's ongoing waste minimization initiatives. Prior year intensity values are not directly comparable with current year figures.

Note: Purchasing Power Parity (PPP) conversions have been carried out using the World Bank GDP PPP Conversion Factor (Indicator: PA.NUS.PPP). A PPP conversion factor of 20.09 INR per international dollar for 2025 has been applied for all PPP-adjusted calculations.

Note: Physical output intensity has been calculated based on the total production of bearings across the continuing operations of SKF India Limited during FY 2025-26. Owing to the change in the reporting boundary following the business restructuring, the current year's intensity ratios are not directly comparable with the previous year.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Company has implemented a comprehensive waste management framework focused on waste minimization, resource recovery, and responsible disposal practices. Waste generated across operations is segregated at source to facilitate efficient handling, recycling, and recovery. Non-hazardous waste is channelized through authorized recyclers to maximize material recovery and support circular economy principles. Hazardous waste is managed in accordance with applicable regulatory requirements and is disposed of, recycled, co-processed, or recovered through authorized agencies, as appropriate. The Company continuously evaluates opportunities to reduce waste generation, enhance recycling rates, and divert waste from landfills through sustainable waste management practices. The Company is also committed to reducing the environmental impact of its products and operations through responsible material management and continuous improvement initiatives. Efforts are undertaken to optimize resource consumption, improve process efficiency, and promote the use of environmentally preferable alternatives wherever feasible. In addition to managing waste generated from its operations, the Company supports initiatives for the collection and recycling of post-consumer waste associated with its products and packaging.

Through collaboration with authorized recycling partners, significant quantities of plastic waste are recovered and recycled, contributing to resource conservation, waste reduction, and the advancement of a circular economy.

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N/NA). If not, provide details of all such non-compliances, in the following format:

Yes

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with trade and industry chambers/ associations.**

   10

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to**

Sr. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National/International)
1	Confederation of Indian industry	National
2	Indian Wind Turbine Association	National
3	Textile Machinery Manufacturer Association	National
4	Indian Machine Tools Manufacturers Association	National
5	Swedish Chambers of Commerce	National
6	Condition Monitoring Society of India	National
7	Bangalore Chamber of Industry and Commerce	State
8	Institute of Internal Auditors	National
9	National Safety Council	National
10	Quality Circle Forum of India	National

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

3. **Describe the mechanisms to receive and redress grievances of the community.**

   The Company has established mechanisms to enable community members and beneficiaries to raise concerns, provide feedback, and seek resolution of grievances related to its operations and community development initiatives. Multiple channels including dedicated address, socialconnect@skf.com are available for submitting grievances, including designated email communication platforms and feedback mechanisms deployed at relevant project locations and community engagement centres. All grievances and feedback received through these channels are reviewed through established processes, and appropriate actions are undertaken to address concerns in a timely and transparent manner. These mechanisms support continuous stakeholder engagement and help strengthen the effectiveness and impact of the Company's community initiatives.

4. **Percentage of input material (inputs to total inputs by value) sourced from suppliers:**

	FY (2025-26)	PY (2024-25)
Directly sourced from MSMEs/ small producers	39.00%	43.00%
Sourced directly from within the district and neighbouring districts	79.00%	86.59%

Note: The reduction in MSME sourcing (from 43% in FY 2024-25 to 39% in FY 2025-26) and in domestic sourcing (from 86.59% to 79%) reflects changes in the procurement base following the demerger of SKF (Industrial) India Limited effective 17th October 2025. Previous year figures are inclusive of procurement of the subsequently demerged entity and are not directly comparable.

5. **Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

	FY (2025-26)	PY (2024-25)
1. Rural		
% of Job creation in Rural areas	0.00%	0.00%
2. Semi-urban		
% of Job creation in Semi-Urban areas	4.81%	0.00%
3. Urban		
% of Job creation in Urban areas	0.00%	0.00%
4. Metropolitan		
% of of Job creation in Metropolitan area	95.19%	0.00%

Note: Wage and job creation figures for FY 2025-26 reflect the continuing operations of SKF India Limited post-demerger. Previous year data is reported as nil as location-wise wage data was not tracked separately prior to the demerger for the continuing entity alone.

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

SKF India places significant emphasis on understanding and addressing customer needs and expectations through structured customer feedback and grievance management mechanisms. A formal process is in place to capture, monitor, and resolve customer complaints related to product quality, technical support, sales, and delivery performance. Customers can raise concerns through multiple communication channels, including dedicated customer support functions and digital platforms. All complaints and inquiries are reviewed through established procedures, and appropriate corrective and preventive actions are implemented to ensure timely resolution and continuous improvement. Insights derived from customer feedback are regularly analyzed and utilized to enhance product quality, service delivery, operational efficiency, and overall customer experience, thereby strengthening customer relationships and supporting long-term business growth.

2. **Turnover of products and/ services as a percentage of turnover from all products/service that carry information about**

As a percentage to total turnover

Environmental and social parameters relevant to the product

100.00%

Safe and responsible usage

100.00%

Recycling and/or safe disposal

100.00%

3. Number of consumer complaints in respect of the following

	FY (2025-26)		Remark	PY (2024-25)		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.
Advertising	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.
Cyber-security	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.

Business Responsibility Sustainability Report (Contd.)

	FY (2025-26)		Remark	PY (2024-25)		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Delivery of essential services	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.
Restrictive Trade Practices	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.
Unfair Trade Practices	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.

	FY (2025-26)		Remark	PY (2024-25)		Remark
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Other	0	0	SKF India has implemented an information security and cybersecurity governance framework to protect its information assets and digital infrastructure. Appropriate policies, controls, and risk management processes are in place to identify, monitor, and mitigate cybersecurity risks, thereby enhancing data security, operational resilience, and business continuity.	0	0	SKF has strategically merged its Information Security function with Group Infrastructure and Security to drive the implementation of security controls more effectively within SKF. SKF also has implemented a cybersecurity protection framework to manage and mitigate cybersecurity risks.

4. **Details of instances of product recalls on account of safety issues**

	Number	Reasons for recall
Voluntary recalls	0	0
Forced recalls	0	0

5. **Does the entity have a framework/ policy on cyber security and risks related to data privacy?**

   Yes

   If available, provide a web-link of the policy

   https://cdn.skfmediahub.skf.com/api/public/0901d196809a699a/pdf_preview_medium/0901d196809a699a_pdf_preview_medium.pdf

6. **Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.**

   There were no such instances recorded during the reporting year.

7. **Provide the following information relating to data breaches:**

   a. **Number of instances of data breaches along-with impact**

      0

   b. **Percentage of data breaches involving personally identifiable information of customers**

      0.00%

   c. **Impact, if any, of the data breaches**

      Nil

Assurance statement on third-party verification of sustainability information

To

The Management of **SKF India Limited**

Unique identification no.: **3153247737**

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by, **SKF India Limited, Chinchwad, Pune, 411033, Maharashtra** (hereinafter "Company") for the period **from 01 April 2025 to 31 March 2026.**

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **SKF India Limited** in reference to:

MASTER CIRCULAR- SEBI/HO/CFD/PoD2/CIR/P/0155, dated November 11, 2024, corresponding format of 'BRSR 9 Core Attributes'.

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period **Financial Year (FY) 2025-2026** as listed below

Reasonable level of assurance of 'BRSR 9 Core Attributes'

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The Management of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the Management are responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Reasonable Level of assurance for the 9 core attributes of BRSR (Ref: Annexure I of SEBI circular)

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	SKF India Limited	**Onsite verification**
		Corporate office- Chinchwad, Pune, 411033, Maharashtra
2		**Manufacturing Facilities-** Chinchwad, Pune, 411033, Maharashtra
3		**Offsite verification**
		Manufacturing Facilities- 1. **Haridwar**- Gata No - 1801, 1802 K, 1803, Tehsil Nawabganj, Dhakauli, Barabanki, Uttar Pradesh, 225123 2. **Bengaluru** -2, Hosur Rd, Bommasandra Industrial Area, Bengaluru, Karnataka 560099, India

Conclusion

Reasonable level of Assurance- BRSR 9 Core Attributes

On the basis of the assessment procedures carried out & evidence we have collected during 01.04.2026 to 09.05.2026, the identified sustainability indicators of 9 Core Attributes (Listed in Annexure I of this statement) of BRSR for FY 2025-2026 are prepared in all material respect in accordance with the reporting requirements outlined in BRSR Core.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Place, Date: **Kolkata, 13 May 2026**

Name: Prosenjit Mitra

General Manager- Verification, Validation and Audit

Management System Assurance

Name: Brototi Das

Verification Team Leader, TÜV SÜD

Management System Assurance

Annexure I

S.No.	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
1.	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) Total Scope 2 emissions (Break-up of the GHG (CO2e) into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available) GHG Emission Intensity (Scope 1 +2)	P6-E7
2.	Water footprint	Total water consumption Water consumption intensity Water Discharge by destination and levels of Treatment	P6-E3 P6-E4
3.	Energy footprint	Total energy consumed % of energy consumed from renewable sources Energy intensity	P6-E1
4.	Embracing circularity - details related to waste management by the entity	Plastic waste (A) E-waste (B) Bio-medical waste (C) Construction and demolition waste (D) Battery waste (E) Other Hazardous waste. Please specify, if any. (G) Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector) Total waste generated ((A+B + C + D + E + F + G + H) Waste intensity Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations For each category of waste generated, total waste disposed by nature of disposal method	P6-E9
5.	Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers – cost incurred as a % of total revenue of the company Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	P3-E1 P3-E11
6.	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid Complaints on POSH	P5-E3 P5-E7
7.	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent	P8-E4 P8-E5

		or nonpermanent /on contract) as % of total wage cost	
8.	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events Number of days of accounts payable	P9-E7 P1-E8
9.	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	P1-E9

ANNEXURE – N

To,

The Board of Directors of,

SKF India Limited

Chinchwad, Pune 411033,

Maharashtra, India

CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

We, the undersigned in our respective capacity as Managing Director and Chief Financial Officer of SKF India Limited (“Company”), to the best of our knowledge and belief certify that: -

a) We have reviewed financial statements and the cash flow statement for the year ended 31st March 2026 and that to the best of our knowledge and belief and we state that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. These statements together present a true and fair view of the listed entity’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2026 which are fraudulent, illegal or violative of the Company’s code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and the Audit Committee that:

i. There are no significant changes in internal control over financial reporting during the year ended 31st March 2026, as the Company has good internal controls, if any in future, same will be indicated.

ii. There are no changes in accounting policies during the year, hence, the same is not disclosed in the notes to the financial statements and,

iii. There are no instances of significant fraud with which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company’s internal control system over financial reporting.

For and on behalf of the
Board of Directors of SKF India Limited

Shailesh Kumar Sharma	**Aashi Arora**
Managing Director	**Interim Chief Financial Officer**
DIN: 09493881	
Date: 13th May 2026	**Date: 13th May 2026**
Place: Pune	**Place: Pune**

Notice of 65th Annual General Meeting

NOTICE is hereby given that the **Sixty-Fifth ("65th") Annual General Meeting ("AGM")** of the Members of SKF India Limited ("the Company") will be held on Friday, **14th August 2026, at 1:00 PM. IST** through **Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")** to transact the following business:

Ordinary business:

1. **To receive, consider and adopt:**
   a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March 2026 together with Reports of the Board of Directors and the Auditors thereon; and
   b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March 2026 together with the Report of the Auditors thereon.
2. To approve and declare final dividend of **INR. 40/- per equity share having face value of INR 10/-** each fully paid up for the financial year ended 31st March 2026.
3. To appoint a Director in place of **Mr. Magnus Lennart Prick (DIN: 11342653), (Non-Executive, Non-Independent Director)** who retires by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

Special Business:

4. **To approve Material Related Party Transactions with SKF India (Industrial) Limited**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 ("the Act") read with Rules made thereunder, other applicable laws, statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended till date, ("SEBI LODR"), including any statutory modifications or re-enactments thereof and the Company's policy on Related Party transaction(s), based on recommendation Audit Committee and the Board of Directors, consent of the members of the company be and is granted to the Company to enter/ continue to enter into the Material Related Party Transaction(s)/ Contracts/ Arrangement(s)/ Agreement(s)/ transactions (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with **SKF India (Industrial) Limited**, a 'Related Party' as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI LODR,related to Reimbursements of expenses paid on behalf of SKF India (Industrial) Limited,Services provided under ISA Sales of goods and services, Services received under ISA Reimbursement paid Purchase of Raw Material, components, spares & Finished Goods Sale of property, plant and equipment Technical and service expenses, Purchase of capital goods and service, Administrative & Service provided, Refund of deposit from Non-Consenting customer and other services received/given on continuous basis as detailed in the Explanatory Statement to this resolution for an aggregate amount up to **MINR 25,291** ("Material Related Party Transactions"), such terms as may be mutually agreed between SKF India and the **SKF India (Industrial) Limited**, for the financial year 2026-27 and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier such that the maximum value of the Material Related Party Transactions with **SKF India (Industrial) Limited** in aggregate, does not exceed **MINR 25,291** during the aforesaid period.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any of its duly constituted Committee or any officer/ executive/ representative and/ or any other person so authorized by the Board) be and is hereby authorized by the members of the Company to do all such acts and deeds to finalize the terms and conditions as may be considered necessary, expedient or desirable and to give effect to this Resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

   RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred hereto or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects."

Notice of 65th Annual General Meeting (Contd.)

5. **To approve Material Related Party Transactions with SKF GmbH**

   To consider and if thought fit, to pass, the following Resolution with or without modification(s) as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the applicable provisions of the Companies Act, 2013 ('the Act') and other applicable provisions, if any, read with applicable rules made thereunder, other applicable laws/ statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force), and Regulation 23(4), and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI LODR") as amended till date, Foreign Exchange and Management Act, 1999 read with rules and regulations made thereunder, (including any statutory modifications or amendments or re-enactment thereof, for the time being in force), and the Company's policy on Related Party transaction(s), and subject to such approval(s), consent(s), permission(s) as may be necessary from time to time and on basis the recommendation and approval of the Audit Committee and Board of Directors, approval of the Members of the Company be and is hereby accorded to Board of Directors, if required to enter / continue to enter into the Material Related Party Transaction(s) / contracts / arrangement(s) / Agreements(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with **SKF GmbH**, a 'Related Party' as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of the SEBI LODR related to Purchase of capital goods and services, Purchase of Raw Material, components, spares and finished goods, Reimbursements Paid, Reimbursement received, Sales of goods and services, Technical & services expenses, Technical & services income, other services received/ given on a continuous basis up to **MINR 4,701** ("Related Party Transactions") as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the **SKF GmbH**, for the Financial Year 2026-27 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier such that the maximum value of the Material Related Party Transactions with **SKF GmbH**, in aggregate, does not exceed **MINR 4,701** during the aforesaid period.

   RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any of its duly constituted Committee or any officer/ executive/ representative and/ or any other person so authorized by the Board) be and is hereby authorized by the members of the Company to do all such acts and deeds to finalize the terms and conditions as may be considered necessary, expedient or desirable and to give effect to this Resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

   RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred hereto or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects**."**

6. **To Ratify the Remuneration of the Cost Auditor for the Financial Year 2026-27.**

   To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

   "RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions if any of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors, Members of the Company be and is hereby ratify the remuneration of INR. 3,00,000/-(Rupees Three Lakhs Only) plus applicable taxes and reimbursement of out-of-pocket expenses incurred in connection with the cost audit at actuals, if any, payable to **M/s. Joshi Apte and Associates Cost Accountant (Firm Registration No: 000240),** who have been appointed as Cost Auditors by the Board of Directors on recommendation of the Audit Committee of the Company to conduct the cost audit of cost records of the Company for the Financial Year 2026-27.**"**

7. **To consider and approve Remuneration to Non-Executive Directors by way of Commission.**

   To consider and if thought fit, to pass the following resolution with or without modification(s) as a **Special Resolution**:

"**RESOLVED THAT** pursuant to Article No. 131(3)(b) of the Articles of Association of the Company, the provisions of Section 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and subject to other consents, if any, consent of the Members be and is hereby accorded to pay the commission equal to such amounts or proportions and in such manner and in all respects as may be decided by the Nomination & Remuneration Committee/Board of Directors, not exceeding in aggregate 1% (one per cent) per annum of the net profits of the Company calculated in accordance with the provisions of Section 198 of the Act, in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees thereof for each of the five financial years of the Company commencing from 01st April, 2026 up till 31st March 2031, be paid to and distributed amongst such Directors of the Company excluding the Managing Director, Whole-time Director(s) if any as may be determined by Board.

RESOLVED FURTHER THAT approval of the Company be and is hereby accorded to the Nomination & Remuneration Committee/Board of Directors to determine the manner, rate, quantum and distribute the commission amongst such Director(s) as the Board may decide from time to time and to do all such acts, deeds and things as may be required in this regard."

8. **To consider and approve the remuneration payable to Mr. Gopal Subramanyam, Non-Executive, Independent Director (DIN: 06684319) in excess of 50% (fifty percent) of the total annual remuneration payable to all Non-Executive Directors of the Company for the financial year 2025-26.**

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of section 197 and 198 of the Companies Act, 2013 ("the Act") read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Act, and any other applicable provisions of the Act, including any other statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company, Regulation 17 (6) (ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, including any other applicable regulations thereon, and based on the recommendations of Board of Directors, consent of the Members be and is hereby accorded for payment of remuneration equal to a sum of **INR 17,63,835** /- **(Rupees seventeen lakh sixty-three thousand eight hundred thirty-five only)** to Mr. Gopal Subramanyam, Non-Executive, Independent Director (DIN: 06684319) in such manner and in all respects being an amount exceeding 50% (fifty percent) of the total annual remuneration payable to all Non-Executive Directors of the Company for the Financial Year 2025-26, in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees.

RESOLVED FURTHER THAT Mr. Shailesh Sharma, Managing Director of the Company be and is hereby authorized to physically/digitally sign and execute all the required documents, filing of the forms and do all such acts, deeds and things as may be necessary and required to give effect to the aforesaid resolution."

By Order of the Board of Directors of
SKF India Limited

Mayuri Kulkarni
Company Secretary & Compliance Officer
Membership No.: A32237
Date: 1st July, 2026

Registered Office:
Chinchwad, Pune 411033, Maharashtra, India
CIN No.: L29130PN1961PLC213113
E-mail: investorsIndia@skf.com
Website: https://www.skf.com/in/investors/skf-india-ltd
Telephone No.:020- 66112500

Notice of 65th Annual General Meeting (Contd.)

Notes:

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular no. 14/2020 dated April 08, 2020, General Circular no.17/2020 dated April 13, 2020 and General Circular no. 20/2020 dated May 05, 2020, General Circular no. 02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, Circular No. 21/2021 dated December 14, 2021, General Circular no 2/2022 dated May 5,2022, and read with General Circular No 10/2022 dated December 28 2022, 09/2024 dated September 19, 2024, and General Circular No. 03/2025 dated September 22, 2025 respectively and recent MCA notifications issued if any in this regard ("MCA Circulars") has allowed to hold the Annual General Meeting ("AGM" or "meeting") of the Company through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without the physical presence of the Members at a common venue. Therefore, in compliance with the MCA Circulars, applicable provisions of the Companies Act, 2013 ("Act"), and all applicable SEBI Circulars and Regulations, this 65th AGM of the Company is scheduled to be held through VC / OAVM in the manner given below. The deemed venue of this meeting shall be considered at the Registered Office of the Company situated at Chinchwad, Pune 411033, Maharashtra, India.

2. In view of relaxation given by MCA Circulars and SEBI Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with SEBI circular no. CIRCULAR SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/CFD/PoD-2/P/VCIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 03, 2024 and recent relevant SEBI circular issued in this regard, (hereinafter referred as "SEBI circulars"), the Annual Report including Financial statements, Auditor's report, Board's report, Notice of AGM along with all the annexures and attachments thereof are being sent through email to those Members whose email addresses are registered with the Company / Depositories as on **03rd July 2026**) and no physical copy of the same will be sent by the Company. Members may note that the Notice and Annual Report of the Company for the financial year 2025-26 will also be available on the Company's website https://www.skf.com/in/investors/skf-india-ltd, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and will also be available on the website of National Securities Depository Limited www.evoting.nsdl.com (agency for providing the remote e-voting facility).

3. The Explanatory Statement, pursuant to the provisions of Section 102(1) of the Companies Act, 2013 ("The Act"), setting out the material facts concerning the Business(s) mentioned in **Agenda Item Nos. 4 to 8** of the Notice is annexed herewith this notice.

3A. The relevant details with respect to **Agenda Item No. 3**, pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Secretarial Standards on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India ("ICSI") in respect of Directors seeking appointment/re-appointment at this meeting are also annexed herewith this notice as **Annexure – A**.

4. The 65th AGM of the Company is being held in accordance with the MCA and SEBI Circulars through VC/OAVM, therefore, the requirement of physical attendance of members has been dispensed, therefore, the facility to appoint proxy to attend and cast vote for the members will not be available for this AGM and the Proxy Form, Attendance Slip and route map are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting.

5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

6. Pursuant to Section 113 of the Act, Institutional / Corporate members are requested to send a duly certified scanned copy (JPG / PDF Format) of the Board Resolution, governing body Resolution or Authorization letter authorizing their representative to participate in remote e-voting or to attend and vote at the AGM at **jbbhave@gmail.com** with a copy marked to **evoting@nsdl.com** before e-voting/ attending AGM from their registered email address.

7. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, 01st April 2019. In view of this and to eliminate all risks associated with physical shares and for ease

of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Share Transfer Agents, M/s MUFG Intime India Private Limited (previously known as M/s Link Intime India Private Limited) ("RTA") for assistance in this regard. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

8. Pursuant to Section 72 of the Act, read with the rules made thereunder, Member(s) of the Company may nominate a person in whose name the shares held by him/them shall vest in the event of his/ their unfortunate death. Member(s) holding shares in physical form may file nominations in the prescribed Form SH-13 with the Company's RTA. In respect of shares held in dematerialized form, the nomination form may be filed with the respective Depository Participant.

9. In the case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company, as on the cut-off date will be entitled to vote at the AGM and the dividend will be paid in the name of such first holder in the order of names.

10. The Record date is fixed as **Friday, 03rd July, 2026** for the purpose of determining the eligibility of member(s) entitled to receive dividend, if declared at the AGM.

11. **The final dividend of INR 40/- per equity shares of INR 10/- each for the financial year 2025-26**, as recommended by the Board of Directors of the Company, if declared at AGM, will be paid on or before the 30th day from the date of declaration of dividend, to the below members:

    (i) in respect of shares held in physical form, to those Members whose names stand in the Register of Members of the Company after giving effect to valid transmission or transposition requests lodged with the Company as of the end of day, on **Friday, 03rd July 2026** and

    (ii) in respect of shares held in the dematerialized form, to those members whose names appear in the statement of Beneficial Owners furnished by National Securities Depository Limited and Central Depository Services (India) Limited for this purpose as of the end of the day, on **Friday, 03rd July 2026.**

12. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of the Members w.e.f. 1st April 2020 and the Company is required to deduct tax at source ("TDS") from dividends paid to the Members at prescribed rates in the Income Tax Act, 1961 ("the IT Act"). In general, to enable compliance with TDS requirements, Members are requested to complete and/or update their Residential Status, PAN, Category as per the IT Act with their Depository Participants or in case shares are held in physical form, with the Company by sending email to the Company's Registrars and Share Transfer Agent's email address at csg-unit@in.mpms.mufg.com

13. Beneficial Owners holding shares in demat form are advised to get particulars of their bank account updated with the Depository Participant (DP) in terms of SEBI Guidelines and the regulations of NSDL and CDSL for the purpose of payment of dividends. The Company or RTA will not entertain requests for change of such bank details printed on their dividend warrants. Member(s) holding shares in physical form are requested to notify the Company or Company's RTA of any change in their addresses/Bank Mandates.

14. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.mca.gov.in. For details, please refer to the corporate governance report which is part of this Annual Report.

15. The amount outstanding in the unpaid dividend account in respect of the **financial year 2018-19** and shares where the dividend had remained unpaid for last consecutive seven years will be transferred to the 'Investor Education and Protection Fund' maintained with the Central Government.

    The Company has placed on its website https://www.skf.com/in/investors/skf-india-ltd/shareholder-information (Path - Reports --> Outstanding dividend for shareholder --> Outstanding Dividend for 7 Consecutive Years from 2019 to 2025, the information on unclaimed dividends.

16. Members who would like to express their views/ask questions before or during the meeting may send an email at Company's email address investorIndia@skf.com from their registered email id with the Company or RTA mentioning their views/questions along with their full name, demat account number/folio number, registered email id, mobile number and such other details as may be deemed fit by **04th August 2026**. Only the views/questions of those shareholders will be taken up who have mailed it to the Company within prescribed time and will be replied suitably.

    The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2021/655 dated November 3, 2021, in Form ISR-1. The Form ISR-1 is also available on the website of the Company at https://www.skf.com/in/investors/skf-india-ltd/shareholder-information. Attention of the Members holding shares of the Company in physical form is invited to go through and submit the said Form ISR–1.

    Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSDRTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/Exchange of securities certificate; Endorsement; Sub-division/Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition.

    Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's https://www.skf.com/in/investors/shareholder-information and on the website of the Company's RTA may be noted that any service request can be processed only after the folio is KYC compliant. SEBI vide its notification dated January 24, 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.

17. Members requesting any information relating to the accounts are requested to write to the Company at an early date to enable the Management to keep the information ready.

18. Instructions **for remote-voting, e-voting and joining the AGM through VC/OAVM as per MCA Circulars are as follows:**

    (i) The Company shall be providing a two-way teleconferencing facility for the ease of participation of the members.

    (ii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions on the first come first served basis.

    (iii) The facility for joining AGM through VC/OAVM will be opened 15 minutes before the scheduled time i.e. 12:45 p.m. IST and the Company may close the window to join the VC/OAVM facility 15 minutes after the scheduled time to start the 65th AGM.

    (iv) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All other documents referred to in the Notice and Explanatory Statement will also be available for electronic inspection without any fee by the members up to the date of AGM. Members seeking to inspect such documents are requested to send an email to investorIndia@skf.com in advance.

    (v) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration)

Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using a remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.

(vi) The voting rights of Members for remote e-voting and for e-voting at AGM shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as on **cut-off date** i.e. the closing of business hours of **Friday, 07th August 2026**.

(vii) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the **cut-off date i.e. Friday, 07th August 2026** shall be entitled to avail of the facility of remote e-voting / e-voting facility during the AGM. Any person who is not a member as on the Cut-off date should treat this notice for information purpose only.

The Members can opt for only one mode of voting i.e. remote e-Voting or e-voting at the AGM. In the case of voting by both modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.

(viii) The remote e-voting facility will be available during the following period for all the members who are either holding shares in physical mode or in demat mode:

(a) **Commencement of remote e-voting: Tuesday, 11th August 2026 at 9:00 a.m. (IST)**

(b) **End of remote e-voting: Thursday, 13th August 2026 at 5:00 p.m. (IST)**

(ix) The voting rights of the Members shall be proportionate to their share of the Paid-up equity share capital of the Company as on Cut-Off date i.e. **Friday, 07th August 2026.**

(x) During this period, Members holding shares either in physical form or in dematerialized form as on cut-off date, may cast their vote through remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently. Those Members who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM as per the process mentioned below in the Notice.

(xi) Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.com

(xii) The Board of Directors of the Company has appointed **Mr. Jayavant Bhave (Membership FCS 4266/CP 3068)** of M/s J B Bhave and Co, Practicing Company Secretaries, as the Scrutinizer to scrutinize the voting process electronically or otherwise for remote e-Voting and e-Voting at the AGM in a fair and transparent manner.

(xiii) The Scrutinizer shall on conclusion of the voting at the AGM first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The results declared along with the Scrutinizer's Report shall be placed on the Company's website https://www.skf.com/in/investors/skf-india-ltd and on the website of NSDL www.evoting.nsdl.com and communicated to BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed. The results of the voting shall also be placed on the Notice Board at the Registered Office of the Company.

(xiv) The helpline number / contact person regarding any technical query / assistance for remote e-voting or participation and e-voting in the AGM through VC/OAVM is 022 - 4886 7000, Mr. Sanjeev Yadav, at evoting@nsdl.com

Notice of 65th Annual General Meeting (Contd.)

(xv) Members who have not yet registered their email addresses or want to update their registered email address are requested to register / update the same by providing their Folio No., Name of shareholder, scanned copy of the share certificate(s) (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to company's RTA at csg-unit@in.mpms.mufg.com in case the shares are held by them in physical form. Further, if shares are held in demat mode, then the members may contact the Depository Participants (DPs) to register / update their email address as per the process advised by your DPs.

(xvi) For receiving the dividend directly in their bank accounts, Members are requested to register / update their bank details by providing their Folio No., Name of shareholder, scanned copy of the share certificate(s) (front and back), self-attested copy of their PAN original copy of cancelled cheque etc. to Company's RTA at csg-unit@in.mpms.mufg.com in case the shares are held by them in physical form. Further, if shares are held on demat mode, then the members may contact their Depository Participant (DP) for registering / updating the bank account details as per the process advised by your DP.

(xvii) Any person who is not a member as on the cut-off date should treat this notice for information purpose only. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently.

(xviii) The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on closing of business hours of **Friday, 07th August 2026**. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of e-voting, as well as voting at the meeting through electronic voting system.

(xix) Any person who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of cut-off date i.e. closing of business of hours of **(Friday, 03rd July 2026)** may obtain the login id and password by sending a request at evoting@nsdl.com. However, if he/she is already registered with NSDL for e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot user Details/Password" option or "Physical User Reset Password?" available on www.evoting.nsdl.com. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password/PIN for casting your vote.

(xx) In case Shareholders are holding shares in demat mode, USER ID is the combination of (DPID + Client ID). In case, Shareholders are holding shares in Physical mode, USER ID is the combination of (EVEN No. +Folio No).

(xxi) A Member may participate in the AGM even after exercising his/her right to vote through remote e-voting but shall not be entitled to vote again.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, 11th August 2026 at 9:00 a.m. (IST) and ends on Thursday, 13th August 2026 at 5:00 p.m. (IST) The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Friday, 07th August 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being Friday, 07th August 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner"** icon under **"Login"** which is available under **'IDeAS'** section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on **"Access to e-Voting"** under e-Voting services and you will be able to see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS Portal"** or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

      (i)

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

Notice of 65th Annual General Meeting (Contd.)

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to **jbbhave@gmail.com** with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

   In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Sanjeev Yadav at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to **investorIndia@SKF.com**. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A**) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.

   In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under **"Join meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **investorIndia@SKF.com.** The same will be replied by the company suitably.
6. Shareholders who would like to express their views / have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at **investorIndia@SKF.com.** The same will be replied to by the Company suitably.
7. The shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4

To approve Material Related Party Transactions with SKF India (Industrial) Limited.

The Company is a subsidiary of Aktiebolaget SKF (AB SKF"). SKF India (Industrial) Limited ("SKF Industrial") is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Companies Act, 2013 ("the Act") and Regulation-2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per the applicable provision of the Companies Act 2013, read with rules made thereunder, Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended from time to time), all Material Related Party Transactions requires prior approval of the Shareholders by Ordinary Resolution where transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR i.e."Where the listed entity having Consolidated Turnover upto Rs. 20,000 Crore a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeded 10% of the annual consolidated turnover of the listed entity".

It is proposed to enters into contract with SKF Industrial for **transactions related to Reimbursements of expenses paid on behalf of SKF India (Industrial) Limited Services provided under ISA Sales of goods and services, Services received under ISA Reimbursement paid Purchase of Raw Material, components, spares & Finished Goods Sale of property, plant and equipment Technical and service expenses, Purchase of capital goods and service, Administrative & Service provided, Refund of deposit from Non-Consenting customer and other services received/given on continuous basis up to MINR 25,291 and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2026-27or** 15 (fifteen) months from the date of 65th Annual General Meeting, whichever is earlier, such that the maximum value of the Material Related Party Transactions with SKF India (Industrial) Limited, in aggregate, does not exceed **MINR 25,291** during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/ arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI Regulations, aforesaid transactions require approval of the members by way of an ordinary resolution.

All the transactions carried out by SKF India Limited with SKF Industrial are in the **ordinary course of business and at arm's length basis** and hence it is recommended for approval by the members for Financial Year 2026-27 and thereafter up to the date of the next annual general meeting of the Company to be held for the FY 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier.

Pursuant to applicable provision of the Companies Act 2013 including Rules made thereunder and SEBI Master Circular bearing reference no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026, read with SEBI notified Industry Standards on Minimum Information to be provided to Audit Committee and Shareholders for approval of Related Party Transactions, as amended from time to time, particulars of the transactions with SKF Industrial enclosed herewith for perusal of shareholders. The same was also presented before the Audit Committee/ Independent Directors for approval and Board of Directors for its noting & recommendation to shareholder (which has been duly approved and recommended to the Shareholders for approval) is provided as **Annexure - B** to this notice.

The Related Party Transactions as aforesaid are necessary, normal and incidental to business and also plays significant role in the Company's business operations and accordingly the Board recommends the **Ordinary Resolution set forth in Item No. 4** of the Notice for the approval of the Members in terms of Regulations 23 of SEBI Regulations. Members may note that Related Party Transaction as per **Annexure- B**, placed for members approval, shall, at all times, be subject to prior approval of the Audit Committee/ Independent Directors of the Company and shall continue to be in the ordinary course of business and at arm's length. As per the amended SEBI LODR Regulations, all the related party transactions shall be approved only by those Members of the audit committee, who are Independent Directors. The transactions shall also be reviewed/ monitored on a quarterly basis by the Audit Committee of the Company as per Regulation 23(2) and 23(3) of the SEBI LODR and Section 177 of the Act and shall remain within the proposed amount(s) being placed before the Members. Any subsequent material modifications in the proposed transactions, as may be defined by the Audit Committee as a part of the Company's Policy on Related Party Transactions, shall be placed before the Members for approval, in terms of Regulation 23(4) of the SEBI LODR.

The proposed transactions shall not, in any manner, be detrimental to the interest of minority shareholders and shall be in the best interest of the Company and its shareholders.

The Board of Directors of the Company on 1st July 2026, on the approval and recommendation of the Audit Committee and subject to the approval of the Members, approved the above proposal such that the maximum value of the Related Party Transactions during the aforesaid period does not exceed the amount stated in the aforesaid resolution.

Pursuant to Regulation 23 of the SEBI LODR, Members may also note that no related party of the Company shall vote to approve this resolution whether the entity is a related party to the particular transaction or not.

Accordingly, the Board recommends the Resolution as set out in **Item No. 4** of this Notice for approval of the Members as an **Ordinary Resolution.**

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Antonio Molle, Mr. Bastian Thomas & Mr. Magnus Lennart Prick(being employed by SKF Vertevo AB (Formerly known as SKF Interim AB / SKF Group) is deemed to be concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding and common directorships, if any.

The Board accordingly recommends the ordinary resolution as set forth in **Item no. 4** for the approval of the Members of the Company.

Item No. 5

To approve Material Related Party Transactions with SKF GmbH

SKF GmbH is a 'Related Party' as per the definition under Section 2(76) of the Companies Act, 2013 ("the Act") and Regulation-2(1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per the applicable provision of the Companies Act 2013, read with rules made thereunder, Regulation 23(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended from time to time), all Material Related Party Transactions requires prior approval of the Shareholders by Ordinary Resolution where transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits mentioned in Schedule XII of the SEBI LODR i.e. "Where the listed entity having Consolidated Turnover upto Rs. 20,000 Crore a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceeded 10% of the annual consolidated turnover of the listed entity.

It is proposed to enters into contract with **SKF GmbH related to Purchase of capital goods and services, Purchase of Raw Material, components, spares and finished goods, Reimbursements Paid, Reimbursement received, Sales of goods and services, Technical & services expenses, Technical & services income, other services received/given on a continuous basis up to MINR 4,701 ("Related Party Transactions") on such terms as may be mutually agreed between SKF India**

Limited and the SKF GmbH and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2026-27 or 15 (fifteen) months from the date of 65th Annual General Meeting, whichever is earlier, such that the maximum value of the Material Related Party Transactions with **SKF GmbH** in aggregate, does not exceed **MINR 4,701** during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/ arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

All the transactions carried out by SKF India Limited with SKF GmbH are in the ordinary course of business and at arm's length basis and hence it is recommended for approval by the Members for Financial Year 2026-27 and thereafter up to the date of the next Annual General Meeting of the Company to be held for the FY 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier, such that the maximum value of the related party transactions with SKF GmbH, in aggregate, does not exceed the aforesaid limit.

In compliance to the aforesaid provision of the Companies Act 2013 and rules made thereunder and SEBI Regulations, aforesaid transaction requires approval of the Members by way of an ordinary resolution.

Pursuant to applicable provision of the Companies Act 2013 including Rules made thereunder and SEBI Master Circular bearing reference no. HO/49/14/14(7)2025-CFD-POD2/I/3762/2026 dated 30th January 2026, read with SEBI notified Industry Standards on Minimum Information to be provided to Audit Committee and Shareholders for approval of Related Party Transactions, as amended from time to time, particulars of the transactions with **SKF GmbH** enclosed herewith for perusal of shareholders. The same was also presented before the Audit Committee/ Independent Directors and Board of Directors for its approval (which has been duly approved and recommended to the Shareholders for approval) is provided as **Annexure - C** to this notice.

The Related Party Transactions as aforesaid are necessary, normal and incidental to business and also plays significant role in the Company's business operations and accordingly the Board recommends the Ordinary Resolution set forth in **Item No. 5** of the Notice for the approval of the Members in terms of Regulations 23 of SEBI Regulations.

Members may note that the Related Party Transaction as per **Annexure - C**, placed for Members approval, shall, at all times, be subject to prior approval of the Audit Committee / Independent Directors of the Company and shall continue to be in the ordinary course of business and at arm's length. As per the amended SEBI LODR Regulations, all the related party transactions shall be approved only by those Members of the Audit Committee, who are Independent Directors. The transactions shall also be reviewed / monitored on a quarterly basis by the Audit Committee of the Company as per Regulation 23(2) and 23(3) of the SEBI LODR and Section 177 of the Act and shall remain within the proposed amount(s) being placed before the members. Any subsequent material modifications in the proposed transactions, as may be defined by the audit committee as a part of the Company's Policy on Related Party Transactions, shall be placed before the members for approval, in terms of Regulation 23(4) of the SEBI LODR.

The proposed transactions shall not, in any manner, be detrimental to the interest of minority shareholders and be in the best interest of the Company and its shareholders.

The Board of Directors of the Company on 1st July 2026, on the approval and recommendation of the Audit Committee and subject to the approval of the Members, approved the above proposal such that the maximum value of the Related Party Transactions during the aforesaid period does not exceed the amount stated in the aforesaid resolution.

Pursuant to Regulation 23 of the SEBI LODR, members may also note that no related party of the Company shall vote to approve this resolution whether the entity is a related party to the particular transaction or not.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Antonio Molle, Mr. Bastian Thomas & Mr. Magnus Lennart Prick(being employed by SKF Vertevo AB (Formerly known as SKF Interim AB/ SKF Group), is deemed to be concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding and common directorships, if any.

The Board accordingly recommends the ordinary resolution as set forth in **Item no. 5** for the approval of the members of the Company.

Item No. 6

To ratify the Remuneration to Cost Auditor for the Financial Year 2026-27.

The Company is required to have its cost records audited by Cost Accountant in practice. Accordingly, the Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s. Joshi Apte and Associates, Cost Accountants, having Firm Registration No. 000240 as Cost Auditors of the Company for the Financial Year 2026-27 at its Board meeting held on 13th May 2026 at a INR 3,00,000 (Rupees Three Lakh Only) plus out of pocket expenses as actual, if any and applicable taxes. The detailed profile of the Cost Auditor is as per **Annexure – D**.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 as amended, the remuneration payable to the Cost Auditors is required to be ratified by the Members of the Company. Accordingly, the consent of the Members is sought by way of an Ordinary Resolution to ratify the remuneration payable to the Cost Auditors for the FY 2026-27.

The Board accordingly recommends the Ordinary Resolution as set out at **Item No. 6** of this Notice for the approval of the Members of the Company.

None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are in any way concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding and common directorships, if any.

Item No. 7

To consider and approve Remuneration to Non-Executive Directors by way of Commission.

At the Sixtieth (60th) Annual General Meeting of the Company held on 23rd July 2021, the shareholders had approved the payment of commission upto 1% per annum, of the net profits of the Company to Directors (other than Managing / Whole-time Directors and the Non-resident Directors) effective from 01st April, 2021 for a period of five years. The period of five years expired on 31st March 2026.

In accordance with the Nomination and Remuneration Policy of the Company, the commission payable to Non-Executive Directors will be based on the remuneration structure as determined by the Board. In view of continued business activities of the Company, it is appropriate that pursuant to the provisions of the Companies Act, 2013 ("The Act"), a commission not exceeding in the aggregate 1% per annum of the net profits of the Company computed in the manner laid down in Section 198 of the Act may be paid for each of the five financial years of the Company commencing from 01st April 2026 and be distributed to /Non-Executive Directors of the Company excluding Managing / Whole-time Director(s) as may be decided from time to time. As per Article No. 131(3)(b) of the Articles of Association of the Company the approval Members shall be needed by way of Special resolution for the payment of remuneration by way of commission to the Directors of the Company excluding the Managing Director & Whole Time Director.

The proportion and manner of such payment and distribution would be as the Nomination and Remuneration Committee/ Board may decide from time to time and in accordance with the provisions of the law.

Apart from commission proposed to be paid to Non-Executive Directors in terms of the special resolution, such Directors also entitled to receive sitting fees and re-imbursement of expenses for each of the Board or Committee Meetings attended as the case may be.

Save and except all l the Non-Executive Directors of the Company, none of the other Directors, Key Managerial Personnel/their relatives are, in any way concerned or interest, financially or otherwise in this resolution.

Accordingly, approval of the members of the company is being sought by way of a Special resolution for payment of commission to Directors of the Company.

The Board recommends the **Special Resolution** as set out at **Item No. 7** of this Notice for the approval of the Members of the Company.

Item No. 8

To consider and approve the remuneration payable to Mr. Gopal Subramanyam, Non-Executive, Independent Director (DIN: 06684319) in excess of fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company for the financial year.

The shareholders at the 60th General Meeting held on 23rd July 2021 had approved the payment of remuneration by way of commission to Non-Executive Directors of the Company not exceeding one per cent of the net profits of the Company for the relevant Financial Year. In line with the Remuneration Policy of the Company, the compensation to the Non-Executive Directors takes the form of commission on profits. Though shareholders have approved the payment of commission up to 1% (one per cent) of net profits of the Company for each year, the actual commission paid to the Directors is restricted to a fixed sum within the above limit. This sum is reviewed at the end of Financial Year after taking into consideration various factors such as business / financial performance of the Company, activities handled / supervised, time spent for attending to the affairs and business of the Company, extent of responsibilities shouldered by each Director and evaluation of performance made by the Board. Keeping in view all these factors, skills, expertise including Industry Experience, sector specific knowledge of bearing and user industries, marketing, strategic planning and thinking, Finance/ Accounting Acumen, Leadership Skills, Regulatory Laws Knowledge and a considerable amount of time has been spent by Mr. Gopal Subramanyam in meetings held during the year, evaluating various opportunities, reviewing the business with leadership team, mentoring the leadership team, as member of Audit, Nomination and Remuneration and Corporate Social Responsibilities committees, apart from being the Chairperson of the Stakeholders' Relationship and Risk Management Committee as well as the Board, the duties and responsibilities of Mr. Gopal Subramanyam have increased manifold.

Accordingly, a higher amount of commission has been proposed for Mr. Gopal Subramanyam, for devoting his valuable time to the organization. Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee have recommended a higher amount of commission to him in the capacity of Non-Executive Independent Director as compared to other Non-Executive Directors. Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of shareholders by special resolution is required to be obtained every Financial Year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive Directors. Since the commission amount payable to Mr. Gopal Subramanyam exceeds fifty per cent of the total remuneration payable to all Non-Executive Directors for the year 2025-26, the approval of the shareholders is sought by way of special resolution. Considering the role that he is expected to play, the Board believes that the commission payable to Mr. Gopal Subramanyam is commensurate with the efforts and the time spent by him on behalf of the Company.

Accordingly, the Board has recommended a commission payable to Mr. Gopal Subramanyam for the Financial Year 2025-26, which is in excess of 50% (fifty per cent) of the total annual remuneration payable to all Non-Executive Directors of the Company and accordingly recommends the **Special Resolution** as set out at **Item No. 8** for approval of the Members of the Company.

Except Mr. Gopal Subramanyam none of the Directors, Key Managerial Personnel of the Company and their relatives is in any way concerned or interested financial or otherwise, in the said resolution.

By Order of the Board
SKF India Limited

Mayuri Kulkarni
Company Secretary & Compliance Officer
Membership No.: A32237
Date: 1st July 2026

Registered Office:
Chinchwad, Pune 411033, Maharashtra, India
CIN No.: L29130PN1961PLC213113
E-mail: investorIndia@skf.com
Website: www.skf.com/in/investors/skf-india-ltd
Telephone No.: 020 66112500

Annexure – A

Relevant details pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Secretarial Standards on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India ("ICSI") in respect of Directors seeking appointment/re-appointment at the AGM.

Agenda Item No. 3: To appoint a Director in place of Mr. Magnus Lennart Prick (DIN: 11342653) who retires by rotation at this AGM and being eligible offers himself for re-appointment.

As per the provisions of Section 152 (6) of the Companies Act 2013, except for Independent Directors, not less than two–thirds of the total number of remaining directors shall be the persons whose period of office is liable to determination by rotation and at least one-third of such Directors are liable to retire by rotation at every AGM. As per the Article of Association of the Company, the Managing Director is not liable to retire by rotation. The Board of Directors ("Board") on recommendation of Nomination and Remuneration Committee appointed Mr. Magnus Lennart Prick (DIN: 11342653) as Additional Director of the Company with effect from 13th January 2026 and the members approved his appointment as a Director of the Company via Postal Ballot dated 17th March 2026, liable to retire by rotation at 65th Annual General Meeting proposed to held on 14th August 2026. Mr. Magnus Lennart Prick, who holds the office for the longest period, is liable to retire by rotation at the ensuing AGM. Accordingly, the Board recommends the resolution as provided in **Item No. 3** of the Notice, before the Members to be passed as an Ordinary Resolution, details of which are provided in the explanatory statement of the resolution. A brief profile and other information of Mr. Magnus Lennart Prick (DIN: 11342653), as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2, is provided in below.

Mr. Magnus Lennart Prick is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013, and he is not restrained from holding the position of Director in any Company, by virtue of order of Securities and Exchange Board of India (SEBI) or any other authority.

Apart from Mr. Magnus Lennart Prick and his relatives, to the extent of their shareholding, none of the Directors and/or Key Managerial Personnel of the Company and/or their relatives, are concerned or interested, whether financially or otherwise, in the resolution as set out in **Item No. 3** of this Notice.

Accordingly, the Board recommends the Resolution as set out in **Item No. 3** of this Notice for approval of the Members as an Ordinary Resolution.

Information pursuant to the Regulation 36(3) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India of Directors seeking re-appointment / appointment at the 65th Annual General Meeting

Name of the Director	**Mr. Magnus Lennart Prick**
Director Identification Number	11342653
Date of Birth and Age	24th April 1984 (42 years old)
Nationality	Swedish
Date of first Appointment on Board of the Company	13th January 2026
Qualification	**Qualification and Certifications**: Mr. Magnus Lennart Prick holds a Master of Laws (LL.M.) with corporate law as major subject from the University of Gothenburg. He also holds a Bachelor of Business Administration (B.B.A.) with accounting as major subject from the University of Gothenburg.

Annexure – A (Contd.)

Name of the Director	Mr. Magnus Lennart Prick
Experience	Mr. Magnus Lennart Prick is currently Acting Legal and Compliance Director Automotive Group Management, before current position he was Head of Automotive Corporate Legal. He has over 15 years of experience from a wide range of areas within business law, including but not limited to corporate matters, M&A, governance, commercial contracts, etc. **Previously associated with following Organisations:** • Volvo Cars, • Volvo Group, • Mannheimer Swartling (leading Swedish law firm).
Terms & conditions of appointment/ re-appointment	As per the appointment letter
Remuneration sought to be paid	NA
Remuneration last drawn	NA
Number of Board Meeting attended during the FY 2025-26/ during the tenure of their appointment	1
Shareholding in the Company (self and beneficial basis only)	Nil
List of Directorship held in other Listed Companies	Nil
Listed companies from which the person has resigned in the past three years	Nil
Nature of expertise in specific functional areas	Please refer the Corporate Governance report
Chairmanship / Membership of Audit and Stakeholders Relationship Committee of Public Company	**SKF India Limited** Member of Audit Committee w.e.f. 13th January 2026
Listed entities from which Director has resigned in last three years	Nil
Chairmanships / Memberships of the Committees of Boards of other Companies	Nil
Inter-se Relationship between the Directors, Manager and other Key Managerial personnel of the Company	NA (Mr. Magnus Lennart Prick is not related to any of the Directors or Key Managerial Personnel of the Company)

Note: Committee membership includes only the Audit Committee and Stakeholders' Relationship Committee of Public Limited Company (whether listed or not). Other directorships do not include directorships of foreign companies.

Annexure – B

Item No. 4: To approve Material Related Party Transactions with SKF India (Industrial) Limited

'PART – A'

A(1): Basic details of the related party:

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	**SKF India (Industrial) Limited**
2.	Country of incorporation of the related party	India
3.	Nature of business of the related party	SKF India (Industrial) Limited is engaged in manufacturing, trading, and servicing industrial solutions like bearings, seals, and motion technologies across sectors such as railways, defence, and wind energy.

A(2): Relationship and ownership of the related party:

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	As on date, SKF India (Industrial) is a subsidiary of AB SKF, which forms part of the Promoter Group. AB SKF is the holding company of SKF Vertevo AB (formerly known as SKF Interim AB). SKF Vertevo AB is the promoter of SKF India Limited.
	• Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	NA
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	NA
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	NA

A(3): Details of previous transactions with the related party:

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.
<table>
<tr><th>S. No.</th><th>Nature of Transactions</th><th>FY 2025 – 2026 (MINR)</th></tr>
<tr><td>1</td><td>Reimbursement received</td><td>1,860.7</td></tr>
<tr><td>2</td><td>ISA services provided</td><td>1,117.0</td></tr>
<tr><td>3</td><td>ISA services received</td><td>562.7</td></tr>
<tr><td>4</td><td>Sale of Goods and services (Including sale of property, plant and Equipment amounting to INR 824 MINR)</td><td>3,401.3</td></tr>
<tr><td>6</td><td>Purchase of Raw Material, components, spares & Finished Goods</td><td>2,394.4</td></tr>
<tr><td>7</td><td>Rent Income on leased property</td><td>52.3</td></tr>
<tr><td></td><td>Total</td><td>9,338.4 MINR</td></tr>
</table>
Explanation: Details need to be disclosed separately for listed entity and its subsidiary.</td><td>All the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year are provided in Particulars of information.</td></tr>
</table>

Annexure – B (Contd.)

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	9,338.4 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

S. No.	Particulars of the Information	Information provided by the management
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	**25,291 MINR**
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e. 31st March 2026.	67%
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Nil
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	74%
6.	Financial performance of the related party for the immediately preceding financial year:	Financial performance of the related party for the immediately preceding financial year provided in particulars of the transaction.

Particulars	For the period 1st April 2025 to 31st March 2026 (MINR)
Turnover	34,403.6
Profit/ (Loss) After Tax	2,176.7
Net worth	14,768.5

A(5): Basic details of the proposed transaction:

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	1. Reimbursements of expenses paid on behalf of SKF India (Industrial) Limited Services provided under ISA Sales of goods and services, Services received under ISA Reimbursement paid Purchase of Raw Material, components, spares & Finished Goods Sale of property, plant and equipment Technical and service expenses, Purchase of capital goods and service. 2. Administrative & Service provided 3. Refund of deposit from Non-Consenting customer
2.	Details of each type of the proposed transaction	Refer above comment

Annexure – B (Contd.)

S. No.	Particulars of the information	Information provided by the management
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year and as per period mentioned in the resolution. For the period 1st April, 2026 to 31st March, 2027 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier.
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	**25,291 MINR** **Aggregate value of transactions for FY 2026-27 is 25,291 MINR. The details of the transactions are provided below in the table.**
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed RPTs between SKF India Limited and SKF India (Industrial) Limited, following the demerger of its Industrial Business, are strategic in nature and crucial for maintaining operational efficiency and maximizing shareholder value. Post- Demerger both entities will have interdependencies in terms of their processes and operations, necessitating cooperation through RPTs to ensure seamless supply chains, shared technological expertise, and coordinated market strategies. These transactions will not only enhance operational efficiency and optimize costs but also foster strategic synergies, allowing both entities to leverage their strengths for innovation and competitive advantage. By ensuring consistent product quality and standards, the proposed RPTs will preserve the brand reputation while adhering to stringent compliance and transparency standards. Overall, the proposed RPTs are structured to benefit both entities and align with the broader strategic objectives of SKF India Limited, thereby contributing to long term shareholder value and business sustainability.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	SKF India (Industrial) is a subsidiary of AB SKF, which forms part of the Promoter Group. AB SKF is the holding company of SKF Vertevo AB (formerly known as SKF Interim AB). SKF Vertevo AB is the promoter of SKF India Limited. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives except Mr. Magnus Prick, Mr. Antonio Molle, and Mr. Bastian Thomas (being employed by SKF Vertevo AB/ SKF Group) is deemed to be concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding and common directorships, if any.
	a. Name of the director / KMP	As mentioned above in Item no 7
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	As mentioned above in Item no 7
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts forming part of disclosures.

Annexure – B (Contd.)

‘PART – B’

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	Given the substantial business alignment between SKF India Limited and SKF India (Industrial) Limited and considering that all transactions are conducted on an arm’s length basis, the Management has determined that inviting bids would not yield any meaningful advantage in executing related party transactions (RPTs) with SKF India (Industrial) Limited. We have taken external expert assistance in determining the arm’s length mark-up for the transactions entered.
2.	Basis of determination of price.	Refer above comment
3.	In case of Trade advance (*of up to 365 days or such period for which such advances are extended as per normal trade practice*), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not Applicable
	b. Tenure	Not Applicable
	c. Whether same is self-liquidating?	Not Applicable

***Additional Information w.r.t proposed Related Party Transactions**

Nature of Transaction	Approval sought (in ₹ millions)
Reimbursements of expenses paid on behalf of SKF India (Industrial) Limited	₹ 9,625
Services provided under ISA*	₹ 2,884
Sales of trading goods and services	₹3,052
Services received under ISA*	₹1,557
Reimbursement paid	₹1,000
Purchase of Raw Material, components, spares & Finished Goods	₹ 5,500
Sale of property, plant and equipment	₹ 1,246
Technical and service expenses	₹ 48
Purchase of capital goods and service	₹ 25
Administrative & Service provided	₹ 294
Refund of deposit from Non-Consenting customer	₹ 60
Total	**₹ 25,291**

***Includes Technical services, shared support services, Job work, Deputation services, Toll manufacturing, leasing of space and assets etc.**

Note: B(2) to B(7) Not Applicable for the this RPT Approval

Part C is also not Applicable for this RPT Approval.

Annexure – C

Agenda Item No. 5: To approve Material Related Party Transactions with SKF GmbH

The Committee Members are requested to take note of the following information in relation to the transaction:

'PART – A'

A(1): Basic details of the related party:

S. No.	Particulars of the information	Information provided by the management
1.	Name of the related party	**SKF GmbH**
2.	Country of incorporation of the related party	Germany
3.	Nature of business of the related party	SKF GmbH is engaged in manufacturing, trading, and servicing industrial solutions like bearings, seals, and motion technologies across sectors such as aerospace, agriculture, construction, Marine, medical, and metal industries in Germany.

A(2): Relationship and ownership of the related party:

S. No.	Particulars of the information	Information provided by the management
1.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following:	AB SKF is the ultimate holding company of SKF GMBH. SKF GMBH is the fellow subsidiary company of SKF India Limited. AB SKF is the holding company of SKF Vertevo AB (formerly known as SKF Interim AB). SKF Vertevo AB is the promoter of SKF India Limited.
	• Shareholding of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	NA
	• Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/ subsidiary (in case of transaction involving the subsidiary).	NA
	• Shareholding of the related party, whether direct or indirect, in the listed entity/ subsidiary (in case of transaction involving the subsidiary).	NA

A(3): Details of previous transactions with the related party:

<table>
<tr><th>S. No.</th><th>Particulars of the information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year.
<table>
<tr><th>S. NO.</th><th>Nature of Transactions</th><th>FY 2025 – 2026 (MINR)</th></tr>
<tr><td>1.</td><td>Purchase of capital goods</td><td>9.3</td></tr>
<tr><td>2.</td><td>Purchase of raw materials, components, spares and finished goods</td><td>1,789.3</td></tr>
<tr><td>3.</td><td>Reimbursement Paid</td><td>3.9</td></tr>
<tr><td>4.</td><td>Sales of goods and service</td><td>339.1</td></tr>
<tr><td>5.</td><td>Technical and service Income</td><td>0.5</td></tr>
<tr><td></td><td>Total</td><td>2,142.1</td></tr>
</table>
Explanation: Details need to be disclosed separately for listed entity and its subsidiary.</td><td>All the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year are provided in Particulars of information.</td></tr>
</table>

Annexure – C (Contd.)

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	2,142.1 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

<table>
<tr><th>S. No.</th><th>Particulars of the Information</th><th>Information provided by the management</th></tr>
<tr><td>1.</td><td>Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.</td><td>4,701 MINR</td></tr>
<tr><td>2.</td><td>Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?</td><td>Yes</td></tr>
<tr><td>3.</td><td>Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year i.e. 31st March 2026.</td><td>12%</td></tr>
<tr><td>4.</td><td>Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)</td><td>NA</td></tr>
<tr><td>5.</td><td>Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.</td><td>3%</td></tr>
<tr><td>6.</td><td>Financial performance of the related party for the immediately preceding financial year:
<table>
<tr><th>Particulars</th><th>For the period 1st January 2025 to 31st December 2025 MINR</th></tr>
<tr><td>Turnover</td><td>141,081</td></tr>
<tr><td>Profit/ (Loss) After Tax</td><td>3,947</td></tr>
<tr><td>Net worth</td><td>91,138</td></tr>
</table></td><td>Financial performance of the related party for immediately preceding financial year provided in particulars of the information.</td></tr>
</table>

A(5): Basic details of the proposed transaction:

S. No.	Particulars of the information	Information provided by the management
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: 1. Purchase of capital goods and services 2. Purchase of Raw Material, components, spares & Finished Goods 3. Reimbursements Paid 4. Reimbursement received 5. Sale of Goods and services 6. Technical & Service expenses 7. Technical & Service income

Annexure – C (Contd.)

S. No.	Particulars of the information	Information provided by the management
2.	Details of each type of the proposed transaction	Refer above comment
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year and as per period mentioned in the resolution. For the period 1st April, 2026 to 31st March, 2027 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2026-27 or fifteen months from the date of 65th Annual General Meeting, whichever is earlier.
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	**MINR 4,701** **Aggregate value of transactions for FY 2026-27 is MINR 4,701. The details of the transactions are provided below in the table.**
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed RPTs between SKF India Limited and SKF GMBH, are strategic in nature and crucial for maintaining operational efficiency and maximizing shareholder value. These transactions will not only enhance operational efficiency and optimize costs but also foster strategic synergies, allowing both entities to leverage their strengths for innovation and competitive advantage. By ensuring consistent product quality and standards, the proposed RPTs will preserve the brand reputation while adhering to stringent compliance and transparency standards. Overall, the proposed RPTs are structured to benefit both entities and align with the broader strategic objectives of SKF India Limited, thereby contributing to long term shareholder value and business sustainability.
7.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly.	SKF GMBH is a subsidiary of AB SKF, which forms part of the Promoter Group. AB SKF is the ultimate holding company of SKF GMBH. SKF Vertevo AB (formerly known as SKF Interim AB) is the subsidiary of AB SKF, SKF Vertevo AB is the promoter of SKF India Limited. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives except Mr. Magnus Prick, Mr. Antonio Molle, and Mr. Bastian Thomas (being employed by SKF Vertevo AB/ SKF Group) is deemed to be concerned or interested, financially or otherwise, in the said resolution except to the extent of their shareholding and common directorships, if any.
	c. Name of the director / KMP	As mentioned above in Item no 7
	d. Shareholding of the director / KMP, whether direct or indirect, in the related party	As mentioned above in Item no 7
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts forming part of disclosures.

Annexure – C (Contd.)

‘PART – B’

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	Given the substantial business alignment between SKF India Limited and SKF GMBH and considering that all transactions are conducted on an arm’s length basis, the Management has determined that inviting bids would not yield any meaningful advantage in executing related party transactions (RPTs) with SKF GMBH.
2.	Basis of determination of price.	Refer above comment
3.	In case of Trade advance (*of up to 365 days or such period for which such advances are extended as per normal trade practice*), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not Applicable
	d. Amount of Trade advance	Not Applicable
	e. Tenure	Not Applicable
	f. Whether same is self-liquidating?	Not Applicable

***Additional Information w.r.t proposed Related Party Transactions**

Nature of Transaction	Approval sought (in ₹ millions)
Purchase of Raw Material, components, spares & Finished Goods	₹2,774.5
Reimbursements Paid	₹0.4
Purchase of capital goods	₹1,500
Sale of Goods and services	₹425
Technical & Service Income	₹0.5
Reimbursement received	₹0.1
Technical & service expense	₹0.5
Total	**4,701**

Note: B(2) to B(7) Not Applicable for the this RPT Approval

Part C is also not Applicable for this RPT Approval.

Annexure - D

Agenda Item No. 7: To ratify the Remuneration to Cost Auditor for the Financial Year 2026-27.

Profile - Cost Auditors – Joshi Apte and Associates:

M/s Joshi Apte and Associates (Firm Registration No. 000240) has a track record of providing expert services in Cost Management Accountancy for the last 16 years. They have a dynamic team which is a mix of seasoned practitioners with rich experience and young professionals with their youthful exuberance. Firm also observes diversity with majority of woman partners. The Firm provides professional services like, Cost Audit, Costing Systems, Cost Study and analysis, etc.

INFORMATION AT A GLANCE

Sr. No	Particulars	Details
1.	**Day, Date and Time of AGM**	Friday, 14th August, 2026 at 1:00 PM (IST)
2	**Mode**	Video Conference (VC) and Other Audio Visual Means (OAVM)
3	**Participation through VC/OAVM**	Members can login from 12:45.00 P.M (IST) on the date of the AGM at **https://evoting.nsdl.com**
4	**Helpline Number for VC/OAVM participation**	022 - 2499 7000
5.	**Submission of Questions/Queries before AGM**	Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before **Tuesday, 04th August 2026** through email on investorIndia@skf.com The same will be replied by the Company suitably.
6.	**Speaker Registration before AGM**	Members may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number to investorIndia@skf.com on or before **Tuesday, 04th August 2026.**
7.	**Recorded Transcript**	Will be made available post AGM at https://www.skf.com/in/investors/skf-india-ltd
8.	**Dividend for FY 2025-26 recommended by the Board**	**INR 40/- equity share of the face value of Rs.10/- each**
9.	**Dividend Record Dates**	**Friday, 3rd July 2026**
10.	**Dividend Payment Date**	The Dividend, if declared at the AGM will be paid on or before, 31st August, 2026.
11.	**Cut-off date for e-voting**	**Friday, 07th August 2026**
12.	**Remote e-voting start time and date**	**Tuesday, 11th August 2026**
13.	**Remote e-voting end time and date**	**Thursday, 13th August 2026**
14.	**Remote e-voting website**	**Shares held in Demat mode with NSDL:** 1. Shareholders registered for NSDL IDeAS facility: **https://eservices.nsdl.com/** 2. Others: **https://evoting.nsdl.com** **Shares held in Demat mode with CDSL:** 1. Shareholders who have opted for Easi facility of CDSL: **https://web.cdslindia.com/myeasi/home/login** 2. Others: **www.cdslindia.com** **Logging in through Depositary Participants:** Members can also login using the login credentials of their demat account through your DP registered with NSDL /CDSL for e-voting facility.

Sr. No	Particulars	Details
15.	**Name, address and contact details of e-voting service provider and registrar and transfer agent**	**Registrar and Transfer Agent** **MUFG Intime India Private Limited** C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Tel: +91 22 66568484 **E-voting Service Provider** National Securities Depositories Limited ("NSDL") Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013 Tel No: 1800-1020-990/1800-22-44-30
16.	**Email Registration and Contact Updation Process**	**Demat Shareholders:** Contact respective Depository Participant **Physical Shareholders:** MUFG Intime India Private Limited C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083

Independent Auditor's Report

To The Members of SKF India Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **SKF India Limited** (the "Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Board's Report including annexures to Board's Report, Management's Discussions & Analysis, Report on Corporate Governance and the Business Responsibility and Sustainability Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Independent Auditor's Report (Contd.)

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

    c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.

    g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

    h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

        i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. (Refer note 38 to the standalone financial statements).

        ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

        iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company except Rs. 0.2 million which is held in abeyance due to legal cases pending. (Refer note 20 to the standalone financial statements).

        iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 47 to the standalone financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

        (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 47 to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 16 to the standalone financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used accounting software systems for maintaining its books of account for the year ended
31 March 2026 which have a the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software systems. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN:26102637WADTEO3721

Place: Pune
Date: May 13, 2026

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act")

We have audited the internal financial controls with reference to standalone financial statements of **SKF India Limited** (the "Company") as at 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on the "internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India." These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Annexure "A" to the Independent Auditor's Report (Contd.)

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at 31 March 2026 based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN: 26102637WADTEO3721

Place: Pune
Date: May 13, 2026

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress and relevant details of right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a program of verification of property, plant and equipment (capital work-in-progress, and right-of-use assets), so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) With respect to immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, capital work-in progress and right-of-use assets, according to the information and explanations given to us and based on the examination of the registered sale deed and Land Allotment letter (SANAD and 7/12 form) provided to us, we report that, the title deeds of such immovable properties are held in the name of the Company as at the balance sheet date except for the following:

Description of Property	Gross carrying value (as at the balance sheet date Rs. In million)	Carrying value (as at the balance sheet date Rs. In million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reasons for not being in the name of the Company
Freehold Land and building located at Chinchwad, Pune, Maharashtra admeasuring 207,239.16 sq. mtrs.	2.2	2.2	SKF Bearings India Limited	No	From 15 January 1962	The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in tittle deed.
Freehold Land and building located at Bangalore, Karnataka admeasuring 65,704.01 sq. mtrs.	4.6	4.6	SKF Bearings India Limited	No	From 2 November 2001	The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in tittle deed.

(d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

Annexure "B" to the Independent Auditor's Report (Contd.)

(ii) (a) The inventories except goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods-in-transit, some of the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories / alternate procedures performed as applicable, when compared with the books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of investments made. The Company has not granted any loans, or provided guarantees or securities during the year.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, duty of Custom, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, duty of Custome, cess and other material statutory dues in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on 31 March 2026 on account of disputes are given below:

Name of Statute	Nature of the Dues	Amount (Rs. in million)	Amount Paid under protest (Rs. in million)	Period to which the Amount Relates	Forum where the Dispute is Pending
Central Excise Act, 1944	Excise Duty (Including interest and Penalty, if Applicable)	67.11	2.89	Various years	Customs Excise and service tax Appellate Tribunal (CESTAT)
The Customs Act, 1962	Custom Duty including interest and penalty	189.84	-	FY 1997-98	Dy. Commissioner of Customs, Mumbai

Annexure "B" to the Independent Auditor's Report (Contd.)

Name of Statute	Nature of the Dues	Amount (Rs. in million)	Amount Paid under protest (Rs. in million)	Period to which the Amount Relates	Forum where the Dispute is Pending
Finance Bill, 1994	Service Tax	17.76	0.89	From October 2014 to June 2017	Divisional Commissioner Office, Pune
Good and Service Tax	Good and Service Tax, Interest and Penalty	95.61	3.54	F.Y. 2017-18, 2018-19, 2019-20, 2020-21, 2021-22, 2022-23, (Including Tran-1)	
Sales tax Act	Sales Tax (including interest and penalty, if applicable)	18.32	1.85	F.Y. 2005-06, 2006-07, 2007-08, 2010-11, 2011-12, 2014-15, 2016-17, 2017-18	Assessing Officer
Sales tax Act		3.17	1.92	F.Y. 2012-13, 2017-18	Appellate Tribunal
Sales tax Act		59.47	1.00	F.Y. 2013-14	Appellate Revision Board
Sales tax Act		41.05	-	F.Y 2011-12, 2012-13, 2016-17, 2017-18	Deputy Commissioner Appeal
Sales tax Act		12.43	0.30	F.Y. 2008-09, 2009-10, 2011-12, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17	Objection Authority Department of Trade & Taxes, New Delhi
Income Tax Act, 1961	Income Tax (including interest and penalty, if applicable)	3,456.00	813.80	AY 2000-01 2004-05, 2007-08, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17, 2017-18, 2018-19, 2020-21, 2021-22	Income Tax Appellate Tribunal (ITAT)
		33.26	-	AY 2019-20	Assessing Officer
		769.20	184.64	A.Y. 2008-09, 2009-10, 2011-12, 2015-16, 2020-21, 2022-23	Commissioner of Income-tax (Appeals)

Annexure “B” to the Independent Auditor’s Report (Contd.)

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) As informed to us, the Company has not raised any short-term loan during the year and there are no unutilised short term loans at the beginning of the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary and associates.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto 31 March 2026.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

The Group does not have any CIC as part of the group and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

Annexure "B" to the Independent Auditor's Report (Contd.)

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN: 26102637WADTEO3721

Place: Pune
Date: May 13, 2026

Standalone Balance Sheet

As at March 31, 2026

(INR in Million)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	4,367.6	5,205.4
Right-of-use assets	3(b)	21.8	51.2
Capital work-in-progress	3(a)	284.1	556.4
Investment properties	4	-	241.1
Other Intangible assets	5	11.8	10.3
Financial assets			
Investments	6	90.1	90.2
Loans	7	-	1,576.0
Other Financial assets	8	73.7	338.7
Deferred tax assets (net)	9	198.8	391.2
Non-current tax asset (net)	10	694.3	416.9
Other non-current assets	11	446.6	1,074.8
Total non-current assets		**6,188.8**	**9,952.2**
Current Assets			
Inventories	12	3,234.4	8,733.3
Financial Assets			
Trade receivables	13	7,167.7	8,485.8
Cash and cash equivalents	14	2,922.9	7,107.6
Bank balance other than above	15	76.1	80.6
Loans	7	-	33.3
Other financial assets	8	110.7	38.6
Other current assets	11	1,090.1	1,206.0
Total current assets		**14,601.9**	**25,685.2**
TOTAL ASSETS		**20,790.7**	**35,637.4**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	494.4	494.4
Other Equity	17	12,800.3	25,485.1
Total Equity		**13,294.7**	**25,979.5**
Liabilities			
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	24.3	5.8
Provisions	18	387.7	549.4
Total non-current liabilities		**412.0**	**555.2**
Current Liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	4.8	63.4
Trade Payables			
Outstanding dues of micro and small enterprises		187.6	505.5
Outstanding dues other than micro and small enterprises	19	5,293.2	6,124.2
Other Financial liabilities	20	619.0	1,748.4
Provisions	18	414.0	429.6
Current tax liabilities (net)	21	178.2	-
Other current liabilities	22	387.2	231.6
Total current liabilities		**7,084.0**	**9,102.7**
Total Liabilities		**7,496.0**	**9,657.9**
TOTAL EQUITY AND LIABILITIES		**20,790.7**	**35,637.4**
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

The accompanying notes are an integral part of these Standalone financial statements

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Standalone Statement of Profit and Loss

For the year ended March 31, 2026

(INR in Million)

Particulars		Notes	Year Ended March 31, 2026	Year Ended March 31, 2025
Continuing Operations				
1	**Income**			
	Revenue from Operations	23	21,295.9	18,453.4
	Other Income	24	770.5	306.5
	Total Income		**22,066.4**	**18,759.9**
2	**Expenses**			
	(a) Cost of materials consumed	25	8,527.2	8,493.4
	(b) Purchases of stock-in-trade	26	2,599.3	596.2
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	316.2	(729.6)
	(d) Employee benefit expense	28	1,734.0	1,865.4
	(e) Finance costs	29	1.7	-
	(f) Depreciation and amortisation expense	30	630.2	527.2
	(g) Other expenses	31	5,636.8	4,455.8
	Total Expenses		**19,445.4**	**15,208.4**
3	**Profit before exceptional items and tax from continuing operations (1-2)**		**2,621.0**	**3,551.5**
4	**Exceptional Items**	34	**271.0**	**-**
5	**Profit after exceptional items and tax from continuing operations (3-4)**		**2,350.0**	**3,551.5**
	Income tax expense			
	Current tax (including tax relating to earlier years)	35	1,209.2	944.1
	Deferred tax (credit)		(31.4)	(25.8)
6	**Total tax expense**		**1,177.8**	**918.3**
7	**Profit for the year from the continuing operations (5-6)**		**1,172.2**	**2,633.2**
8	**Profit before exceptional items and tax from discontinuing operations**	39	**2,144.6**	**4,079.6**
	Exceptional Items	34	160.2	-
9	**Profit after exceptional items and tax from discontinuing operations**		**1,984.4**	**4,079.6**
10	Tax expense / (credit) of discontinued operations		496.5	1,054.7
11	**Net Profit after tax from discontinued operations (9-10)**		**1,487.9**	**3,024.9**
12	**Net Profit after tax from continuing and discontinued operations (7+11)**		**2,660.1**	**5,658.1**
	Other comprehensive income from continuing operations			
	Items that will not be reclassified to profit and loss			
	(a) Remeasurement gains / (losses) of net defined benefits obligation	35	(39.7)	(116.0)
	Income tax effect on above		10.1	29.2
	Other comprehensive income from discontinued operations			
	Items that will not be reclassified to profit and loss			
	(a) Remeasurement gains / (losses) of net defined benefits obligation	35	21.8	8.9
	Income tax effect on above		(5.5)	(2.2)
13	**Other comprehensive (loss) for the year (net of tax) from continuing and discontinued operations**		**(13.3)**	**(80.1)**
14	**Total comprehensive income for the year from continuing and discontinued operations (12+13)**		**2,646.8**	**5,578.0**
	Earnings per equity share (Face value of INR 10 each)	36		
	Earnings per share from continuing operations			
	Basic and Diluted EPS		23.7	53.3
	Earnings per share from discontinued operations			
	Basic and Diluted EPS		30.1	61.1
	Earnings per share from continuing and discontinued operations			
	Basic and Diluted EPS		53.8	114.4
Material accounting policies		1		
Significant accounting judgements, estimates and assumptions		2		

The accompanying notes are an integral part of these Standalone financial statements

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
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Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Standalone Statement of Changes in Equity

For the year ended March 31, 2026

(INR in Million)

(A) Equity Share Capital

Particulars	Amount
As at April 01, 2024	**494.4**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	494.4
Changes in equity share capital during the current year	-
Balance as at March 31, 2025	**494.4**
As at April 01, 2025	**494.4**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	494.4
Changes in equity share capital during the current year	-
Balance as at March 31, 2026	**494.4**

(B) Other Equity

Particulars	Retained earnings	Capital redemption reserve	General reserve	Total Other Equity
Balance as at April 01, 2024	**23,462.2**	**32.9**	**2,838.9**	**26,334.0**
Profit for the year from Continuing operations	2,633.2	-	-	2,633.2
Profit for the year from Discontinued operations	3,024.9	-	-	3,024.9
Other comprehensive income	(80.1)	-	-	(80.1)
Total comprehensive income for the year ended March 31, 2025	**5,578.0**	**-**	**-**	**5,578.1**
Transactions with owners in their capacity as owners				
Dividend paid (INR 130 per share)	(6,426.9)	-	-	(6,426.9)
Total transactions with owners in their capacity as owners	**(6,426.9)**	**-**	**-**	**(6,426.9)**
Balance as at March 31, 2025	**22,613.2**	**32.9**	**2,838.9**	**25,485.1**
Profit for the year from Continuing operations	1,172.2	-	-	1,172.2
Profit for the year from Discontinued operations	1,487.9	-	-	1,487.9
Other comprehensive income	(13.3)	-	-	(13.3)
Total comprehensive income for the year ended March 31, 2026	**2,646.8**	**-**	**-**	**2,646.8**
Transactions with owners in their capacity as owners				
Dividend paid (INR 14.5 per share)	(716.9)	-	-	(716.9)
Transfer under the scheme of demerger of Industrial business (Refer Note 39)	(14,614.9)	-	-	(14,614.9)
Total transactions with owners in their capacity as owners	**(15,331.8)**	**-**	**-**	**(15,331.8)**
Balance as at March 31, 2026	**9,928.3**	**32.9**	**2,838.9**	**12,800.3**

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

The accompanying notes are an integral part of these Standalone financial statements

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
SKF INDIA LIMITED

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DIN : 06684319
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Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Standalone Cashflow Statement

For the year ended March 31, 2026

(INR in Million)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit from continuing operations before tax	2,621.0	3,551.5
Profit from discontinued operations before tax	2,144.6	4,079.4
Adjusted for :		
Exceptional Items	(431.2)	-
Depreciation and amortisation expenses	779.8	830.8
Provision for bad and doubtful debts	52.1	49.8
Provision for other receivables	-	(6.1)
Gain on sale of Property Plant & Equipment (net)	2.2	(0.4)
Finance costs	3.5	7.0
Interest income		
- Fixed deposits with banks	(339.4)	(589.4)
- On loan given to related party	(63.2)	(139.3)
	3.8	152.4
Operating Profit before working capital changes	**4,769.4**	**7,783.5**
Adjusted for :		
(Increase) / Decrease in inventories	192.3	(1,894.5)
(Increase) / Decrease in trade receivables	(4,997.5)	(1,022.4)
(Increase) / Decrease in current & non-current assets	(474.8)	(409.5)
(Decrease) / Increase in trade payables	4,671.5	(500.9)
Increase in other liabilities and provisions	574.9	421.5
	(33.6)	(3,405.8)
Cash flows generated from operating activities before tax	**4,735.8**	**4,377.6**
Income taxes paid (net of refunds)	(1,109.5)	(2,346.7)
Net cash flows generated from Operating Activities (A)	**3,626.3**	**2,030.9**
B. CASH FLOW FROM INVESTING ACTIVITIES		
Investment in subsidiary company	-	(0.1)
Payments for Property Plant & Equipment (including Capital Work-in-progress)	(2,291.9)	(1,313.4)
Payments for Investment properties	-	(0.5)
Proceed from sale of Property Plant & Equipment	4.0	6.4
Interest Received	367.6	603.2
Interest received on loan to related party	63.2	139.3
Investment in deposits	2.5	-
Loan recovered / (given)	33.3	(33.3)
Net cash outflow from Investing Activities (B)	**(1,821.3)**	**(598.4)**
C. CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(717.0)	(6,427.0)
Repayment of lease liability	(37.6)	(73.2)
Finance cost	(2.5)	-
Net cash outflow from financing activities (C)	**(757.1)**	**(6,500.2)**
Net changes in Cash and Cash Equivalents (A+B+C)	**1,047.9**	**(5,067.7)**
Cash and cash equivalents at beginning of the year	7,107.6	12,174.6
Transfer under the scheme of arrangement (Refer Note 39)	(5,232.8)	-
Effects of exchange rate changes on cash and cash equivalents	0.2	0.7
Cash and Cash Equivalents at the end of the year	**2,922.9**	**7,107.6**

Note:

The above standalone statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 (the 'Act').

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

The accompanying notes are an integral part of these Standalone financial statements

In terms of our report of even date

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(Firm's Registration Number : 117366W/W-100018)

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Place : Pune
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Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026

Corporate Information

SKF India Limited (the 'Company') is a company, listed in India on recognised stock exchanges, limited by shares, incorporated and domiciled in India. The Company is a leading supplier of products, solutions & services within rolling bearing, seals, mechatronics and lubrication systems. The Company's manufacturing facilities are located at Pune, Bengaluru & Haridwar.

The Company has received a certified true copy of the Order dated September 26, 2025, from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approving the Scheme of Arrangement ("Scheme") between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). With reference to the Scheme, the Board of Directors of the Demerged and Resulting Company had mutually fixed appointed and effective date as October 01, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on October 01, 2025 ("Effective Date").

The standalone financial statements for the year ended March 31, 2026 were authorised for issue in accordance with the resolution of the Board of Directors on
May 13, 2026.

1 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of Preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act and relevant amendment and rules issued thereafter.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities that are measured at fair value;

b) assets held for sale – measured at fair value less cost to sell;

c) defined benefit plans – plan assets measured at fair value;

1.2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of segments, has been identified as the Board of Directors.

1.3 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial statements are presented in Indian Rupee (INR) which is the Company's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1.4 Revenue recognition

Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Revenue recognition policy

The Company has following streams of revenue:

(i) Sale of goods

(ii) Sale of Services

If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

If none of the criteria above are met, the Company recognized revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

The Company assesses whether it is acting as a principal or an agent in all revenue arrangements. The Company is considered a principal if it controls the specified goods or services before they are transferred to the customer. When acting as a principal, revenue is recognised at the gross amount of consideration.

When the Company acts as an agent, it recognises revenue at the net amount retained, being the commission or fee earned for arranging for the provision of goods or services by another party.

Revenue recognized at a point-in-time :-

For sale of products and sale of services, revenue is recognized at point in time when control of goods is transferred and service is rendered to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

Non-consenting revenue :

In respect of certain customer contracts, where the requisite customer consent for novation to SKF India (Industrial) Limited had not been obtained as at effective date of the scheme, SKF India Limited continues to act as the contracting and billing entity towards such customers.

Pursuant to the arrangement entered into between the companies, SKF India (Industrial) Limited is responsible for the fulfilment of performance obligations and delivery of services under such contracts, while SKF India Limited acts in the capacity of an agent and intermediary for billing and contractual purposes only.

Accordingly, revenue in respect of such non-novated contracts has been recognised in the respective financial statements on a net / pass-through basis, consistent with the principal-agent assessment carried out in accordance with the requirements of Ind AS 115 — Revenue from Contracts with Customers.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

1.5 Income Tax

A. Current Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

1.6 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1.8 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

1.9 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1.10 Financial assets and financial liabilities

Financial assets and financial liabilities are recognized in the balance sheets when the Company becomes a party to the contractual provisions of a financial instrument. Financial instruments are initially recorded at fair value, which is normally equal to transaction price. Transaction costs are included in the initial measurement of financial assets and liabilities that are not subsequently measured at fair value through the income statement.

Financial assets categorized as loans and receivables are measured at amortized cost using the effective interest method. Impairment losses (primarily allowance for doubtful accounts) are recognized if management believes that sufficient objective evidence exists indicating that the asset may not be recovered. For disclosure purposes, fair values have been calculated using valuation techniques, mainly discounted cash flow analyses based on observable market data. For current receivables and liabilities (such as trade receivables and payables) the carrying amount is considered to correspond to fair value.

Where discounted cash flow techniques are used, the future cash flows are determined (if not stated explicit in the contract) based on the best assessment by management and discounted using the market interest rate for similar instruments. Financial liabilities are measured at amortized cost using the effective interest method.

Financial assets are derecognized when the contractual rights to the cash flow have expired or been transferred together with substantially all risks and rewards. Financial liabilities are derecognized when they are extinguished.

Investment in government securities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment extension, call and similar options) but does not consider the expected credit losses.

1.11 Property, plant and equipment (PPE), Investment Properties and Intangible assets

A. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over the estimated useful lives. The useful lives are:

Particulars	Useful Life (in years)
Buildings	33
Plant and equipments	5/10/14/16/20
Furniture and fixtures	4
Office equipments	3/4
Vehicles	5

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

B. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 33 years. The useful life has been determined based on technical evaluation performed by the management's expert.

C. Intangible assets

Intangible assets are stated at initial cost less any accumulated amortization and any impairment. Amortization is made on a straight line basis over the estimated useful lives and begins once the asset is ready for its intended use. The useful lives are based to a large extent on historical experience, the expected application, as well as other individual characteristics of the asset. The useful lives are:

- Software in use - 3 years

1.12 Leases

A) As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Company is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Company under residual value guarantees
- the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

- payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by 'SKF India Limited, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Company use that rate as a starting point to determine the incremental borrowing rate.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received.
- any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

B) As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

1.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the company prior to the end of financial year which are unpaid. The amounts are unsecured and are paid as per the terms of payments. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.15 Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.16 Post employment benefits

A. Employee benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

The company operates the following post-employment schemes:

a) defined benefit plans such as gratuity and provident fund (for employees who are members of SKF India Limited Provident Fund Scheme)

b) defined contribution plans such as superannuation and provident fund (for other employees who are not members of SKF India Limited Provident Fund Scheme)

B. Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of gratuity and provident fund is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

With respect to employees who are members of SKF India Limited Provident Fund Scheme ('the Trust') contribution for provident fund to the Trust is a defined benefit plan as the Company has an obligation to make good the shortfall, if any, between the return from investments made by the Trust and notified interest rate. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the employee's salary. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

C. Defined contribution plans

Contributions to the Provident Fund and Superannuation Fund which are defined contribution schemes, are recognised as an expense in the Statement of Profit and Loss in the period in which the contribution is due. For employees other than members of SKF India Limited Provident Fund Scheme, both the Company's and employees' contribution is paid to Regional Provident Fund Commissioner (RPFC) on a monthly basis. The Company has no further payment obligations once the contributions have been paid.

iv) Bonus Plans

The Company recognises a liability and an expense for bonuses. The company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v) Employee Stock Awards:

Certain employees of the Company receive remuneration in the form of equity settled instruments given by the ultimate holding company (AB SKF), for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, as a component of equity. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Company's estimate of equity instruments that will eventually vest.

vi) Termination benefits

Voluntary Retirement Scheme costs are charged off to the Statement of Profit and Loss in the year in which they are incurred.

1.17 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.18 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent diluted equity shares outstanding during the year, except where the result would be anti dilutive.

1.19 Contingent liabilities

A contingent liability is disclosed in respect of a possible obligation that arise from past events whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or from a present obligation that arises from past events which are not recognised because:

a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

b) the amount of the obligation cannot be measured with sufficient reliability

1.20 Non-current Assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Company is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

met, regardless of whether the Company will retain a non-controlling interest in its former subsidiary after the sale.

When the Company is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Company then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

1.21 Discontinued operation

A discontinued operation is a business of the entity that has been disposed off or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose off such a line of business or area of operations. The results of discontinued operations are presented separately in the Statement of Profit and Loss.

1.22 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items is disclosed separately as Exceptional Items.

1.23 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2 Significant accounting judgements,estimates and assumption

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the company and that are believed to be reasonable under the circumstances.

2(A) Significant Judgement

a) Tax Contingencies

Pursuant to the Scheme of Arrangement, advance tax payments, prepayments, tax balances with statutory authorities, matters under litigation, and related tax provisions / liabilities continue to be administered in the name of the Company as part of an ongoing process. Although these amounts relate to periods prior to the demerger, the ultimate financial impact whether in the form of refunds or additional tax liabilities will be recognized on a consolidated basis between SKF India (Industrial) Limited ("Resulting Company") and the Company upon the conclusion of the relevant assessment proceedings.

The Company has received orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision for a loss may be appropriate.

2(B) Significant estimate

a) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates and timing of the cash flows. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

b) Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 42 for further disclosures.

c) Defined benefit plan

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 41.

d) Fair Valuation of Investment Property

The Company obtains independent valuations for its investment properties at least annually.
The Valuation is performed using Income approach-Rent capitalisation method as per Ind AS 113- Fair value measurement.

2(C) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified the following amendments:

In the current year, the Company has applied the below amendments to the Ind ASs that are effective for an annual period that begins on or after 01 April 2025.

(i) Amendments to Ind AS 21 The Effect of Changes in Foreign Exchange Rates titled Lack of Exchangeability -

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The adoption of this amendment did not have any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

(ii) Amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements -

The company has adopted the amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements for the first time in the current year.

The amendments add a disclosure objective to Ind AS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, Ind AS 107 is amended to add supplier finance arrangements as an example within the requirements to The amendments add a disclosure objective to Ind AS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, Ind AS 107 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

The amendments contain specific transition provisions for the first annual reporting period in which the group applies the amendments. Under the transitional provisions an entity is not required to disclose:

(i) comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments

(ii) the information otherwise required by Ind AS 7:44H(b)(ii)-(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

(iii) Amendments to Ind AS 1 Presentation of Financial Statements

The amendments affect only the presentation of liabilities as current or non-current in the Balance Sheet and not the amount or timing of recognition of any asset, liability, income or expenses.

The amendments clarify that the classification of liabilities as current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and Introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Further, the amendments specify that only covenants that an entity is required to comply with on or before the on of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the and of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date). However, the amendments do not affect classification where there is a breach of a material covenant of a long-term loan arrangement on or before the and of the reporting period with the effect that the liability becomes payable on demand on the reporting date, until the annual periods beginning prior to 01 April, 2026.

The amendments also specify that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of though liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with though covenants.

(iv) Amendments to Ind AS 12 Income Taxes titled International Tax Reform-Pillar Two Model Rules

The amendments clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in Ind AS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

3(a) Property, plant and equipment

Description	Freehold Land (Refer note (iv) below)	Building (Refer note (iv) below)	Furniture & Fixtures (Refer Note II below)	Office Equipment	Plant & Machinery (Refer Note II below)	Vehicles	Total	Capital work in progress
Gross Carrying Amount								
Balance as at April 01, 2024	**269.1**	**765.3**	**242.7**	**121.1**	**7,298.7**	**149.1**	**8,846.0**	**886.9**
Additions	-	138.4	11.4	22.0	1,339.3	80.4	1,591.5	1,261.0
Disposals*	-	-	(0.0)	(0.0)	(5.2)	(13.8)	(19.0)	-
Capitalised during the year	-	-	-	-	-	-	-	(1,591.5)
Balance as at March 31, 2025	**269.1**	**903.7**	**254.1**	**143.1**	**8,632.8**	**215.7**	**10,418.5**	**556.4**
Additions	-	94.9	1.1	27.8	1,353.7	31.6	1,509.1	2,384.1
Disposals*	-	-	-	-	(142.4)	(7.9)	(150.3)	-
Capitalised during the year	-	-	-	-	-	-	-	(1,509.1)
Transfer under the scheme of arrangement (Refer Note 39)	(2.8)	(129.1)	(110.1)	(20.9)	(2,800.7)	(146.9)	(3,210.5)	(1,147.4)
Balance as at March 31, 2026	**266.3**	**869.5**	**145.1**	**150.0**	**7,043.4**	**92.5**	**8,566.8**	**284.1**
Accumulated depreciation and amortisation								
Balance as at April 01, 2024	**-**	**203.4**	**195.6**	**92.0**	**3,929.6**	**47.7**	**4,468.3**	**-**
Depreciation charged during the year	-	27.4	21.2	18.2	651.2	39.8	757.8	-
Disposals *	-	(0.0)	(0.0)	(0.0)	(5.2)	(7.8)	(13.0)	-
Balance as at March 31, 2025	**-**	**230.8**	**216.8**	**110.2**	**4,575.6**	**79.7**	**5,213.1**	**-**
Depreciation charged during the year#	-	28.8	16.6	15.8	636.2	32.4	729.8	-
Disposals *		-			(140.3)	(0.7)	(141.0)	-
Transfer under the scheme of arrangement (Refer Note 39)	-	(37.0)	(101.9)	(16.9)	(1,382.2)	(64.7)	(1,602.7)	-
Balance as at March 31, 2026	**-**	**222.6**	**131.5**	**109.1**	**3,689.3**	**46.7**	**4,199.2**	**-**
Net Carrying Amount								
Net carrying amount as at March 31, 2025	**269.1**	**672.9**	**37.3**	**32.9**	**4,057.2**	**136.0**	**5,205.4**	**556.4**
Net carrying amount as at March 31, 2026	**266.3**	**646.9**	**13.6**	**40.9**	**3,354.1**	**45.8**	**4,367.6**	**284.1**

**The balance is less than one Million.*

#Of the total depreciation for the year ended March 31, 2026, INR 589.3 Million pertains to Continuing operations and INR 140.5 Million pertains to discontinued operations.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Notes:

(i) For capital commitments, refer note 38.

(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

(iii) Refer note 47(x) for disclosure related to valuation of Property, plant and equipment

(iv) Title deeds of Immovable Properties not held in name of the Company:

Description of the property	Gross Carrying Value	Period held since (range) (date of acquisition)	Whether in the name of promoter, director or their relative or employee	Held in Name of	Reason for not being held in name of Company
Freehold Land and building located at Bengaluru, Karnataka	4.6	From November 02, 2001	No	SKF Bearings India Limited	The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in title deed.
Freehold Land and building located at Chinchwad, Pune, Maharashtra	2.2	From January 15, 1962	No		The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in title deed.

As per the Scheme, all immovable properties including but not limited to capital work in progress, land, buildings, and any associated rights, titles, interests, rights of way and easements, shall stand transferred to and vested in the Resulting Company, or be deemed to have been transferred and vested automatically, without any further act or deed, with effect from the Appointed Date.

Accordingly, all immovable properties of SKF India Limited (the "Company") forming part of the Industrial Undertaking have been transferred to and vested in the Resulting Company with effect from October 01, 2025. The Company will cooperate in filing the necessary applications with the concerned authorities for updating records to reflect the transfer in favour of the Resulting Company in due course.

I. Ageing of Capital work-in-progress

A. Ageing of Capital work-in-progress as on March 31, 2026

Particulars	CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	281.1	3.0	-	-	284.1
Projects temporarily suspended	-	-	-	-	-

B. Ageing of Capital work-in-progress as on March 31, 2025

Particulars	CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	541.8	14.1	0.5	-	556.4
Projects temporarily suspended	-	-	-	-	-

Note:

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

II. ASSETS GIVEN ON OPERATING LEASE

The Company has leased following assets to SKF Engineering and Lubrication India Private Limited (fellow subsidiary) under operating lease. The carrying amount of the assets given on operating lease and depreciation thereon for the period are:

Description	Plant & Machinery	Furniture & Fixtures	Total
Gross Carrying Amount			
Balance as at April 01, 2024	**60.2**	**8.4**	**68.6**
Additions	-	-	-
Balance as at March 31, 2025	**60.2**	**8.4**	**68.6**
Transfer under the scheme of arrangement (Refer Note 39)	(60.2)	(8.4)	(68.6)
Balance as at March 31, 2026	**-**	**-**	**-**
Accumulated depreciation and amortisation			
Balance as at April 01, 2024	**54.7**	**5.2**	**59.9**
Depreciation charged during the year	1.5	0.3	1.8
Balance as at March 31, 2025	**56.2**	**5.5**	**61.7**
Depreciation charged during the year	0.8	0.2	0.9
Transfer under the scheme of arrangement (Refer Note 39)	(56.9)	(5.7)	(62.6)
Balance as at March 31, 2026	**-**	**-**	**-**
Net Carrying Amount			
Net carrying amount as at March 31, 2025	**4.0**	**2.9**	**6.9**
Net carrying amount as at March 31, 2026	**-**	**-**	**-**

3(b) Right-of-use assets

A. Right-of-Use Assets

(i) Amounts recognised in the Balance sheet

This note provides information for leases where the Company is a lessee. The Company has taken buildings on lease and the lease contracts are typically made for fixed periods of 1 year to 8 years.

Particulars	March 31, 2026	March 31, 2025
Buildings	21.8	51.2
TOTAL	**21.8**	**51.2**

(ii) Movement in Right-of-use assets

Description	Right of Use Assets
Gross Carrying Amount	
Balance as at April 01, 2024	**375.7**
Additions	17.7
Balance as at March 31, 2025	**393.4**
Additions	19.9
Disposals / Adjustments	(198.6)
Transfer under the scheme of arrangement (Refer Note 39)	(21.8)
Balance as at March 31, 2026	**192.9**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Description	Right of Use Assets
Accumulated depreciation and amortisation	
Balance as at April 01, 2024	**281.7**
Depreciation charged during the year	60.5
Balance as at March 31, 2025	**342.2**
Depreciation charged during the year	39.1
Disposals / Adjustments	(198.5)
Transfer under the scheme of arrangement (Refer Note 39)	(11.7)
Balance as at March 31, 2026	**171.1**
Net Carrying Amount	
Net carrying amount as at March 31, 2025	**51.2**
Net carrying amount as at March 31, 2026	**21.8**

Note: Non cash transaction financing activities March 31, 2026 INR 23.3 million (March 31, 2025 INR 24.2 million).

B. **Leases**

Particulars	March 31, 2026	March 31, 2025
Non-current lease liabilities	24.3	5.8
Current lease liabilities	4.8	63.4
TOTAL	**29.1**	**69.2**

i. **Movement in lease liabilities:**

The following is the movement in lease liabilities:

Particulars	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	69.2	117.6
Add: Additions	23.3	24.8
Add: Adjustments	6.3	-
Less: Transfer under the scheme of arrangement (Refer Note 39)	(14.1)	-
Less: Repayment of lease liabilities	(55.6)	(73.2)
Balance as at the end of the year	**29.1**	**69.2**

ii. **Amounts recognised in the Statement of Profit & Loss :**

The statement of profit and loss shows the following amounts relating to lease:

Particulars	March 31, 2026	March 31, 2025
Depreciation charge on right-of-use assets (Continuing operations) (Refer note 30)	30.9	38.1
Depreciation charge on right-of-use assets (Discontinued operations) (Refer Note 39)	8.2	22.4
Interest on lease liabilities (Continuing operations) (Refer note 29)	1.7	-
Interest on lease liabilities (Discontinued operations) (Refer Note 39)	-	7.0
Expense relating to short-term leases /leases of low-value assets (Refer Note 31)	17.9	5.1
TOTAL	**58.7**	**72.6**

The total cash outflow for leases for the year was INR 55.6 Million (March 31, 2025 was INR 73.2 Million)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The table below provides details regarding the contractual maturities of lease liabilities as of March 31 on an undiscounted basis:

Particulars	March 31, 2026	March 31, 2025
Less than one year	4.8	63.4
One to five years	24.3	5.8
More than five years	-	-
TOTAL	**29.1**	**69.2**

4 **Investment Properties**

Description	March 31, 2026	March 31, 2025
Gross carrying amount		
Balance at the beginning of the year	318.1	317.6
Additions during the year	0.2	0.5
Transfer under the scheme of arrangement (Refer Note 39)	(318.3)	-
Balance at the end of the year	**-**	**318.1**
Accumulated depreciation		
Balance at the beginning of the year	77.0	66.9
Depreciation for the year	5.0	10.1
Transfer under the scheme of arrangement (Refer Note 39)	(82.0)	-
Balance at the end of the year	**-**	**77.0**
Net carrying amount	**-**	**241.1**

Maturity analysis of lease payments receivable at the balance sheet date on an undiscounted basis:

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	March 31, 2026	March 31, 2025
Within one year	-	38.4
Later than one year but less than 5 year	-	153.6
More than 5 years	-	67.2

Estimation of fair value

Description	March 31, 2026	March 31, 2025
Investment properties (refer note below)	-	571.0

Note:

In FY 2025-26, the investment property has been transferred pursuant to the scheme of demerger (Refer Note 39). Also, there is no corresponding interest income in the current year.

For the financial year 2024-25, the Company had obtained an independent valuation for its investment properties by registered valuer as defined under rule 2 of Companies (Registered valuers and valuation) Rules, 2017. Fair value of investment property is arrived using Income Approach - Rent Capitalisation method. It is determined by capitalizing the market lease rent at an appropriate rate (yield) as on date of valuation. The fair value measurement is categorised in level 3 fair value hierarchy.

There is no impairment in respect of Investment properties and valuation method remain unchanged.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

5 Other Intangible assets(Acquired)

Particulars	Computer Softwares
Gross carrying amount as at April 1, 2024	**10.5**
Additions	11.2
Disposals/Write off	-
Balance as at March 31, 2025	**21.7**
Additions	6.5
Disposals / Write off	-
Transfer under the scheme of arrangement (Refer Note 39)	(1.4)
Balance as at March 31, 2026	**26.8**
Accumulated amortization	
Balance as at March 31, 2024	9.0
Amortised during the year	2.4
Disposals / Write off	-
Balance as at March 31, 2025	**11.4**
Amortised during the year	5.0
Disposals / Write off	-
Transfer under the scheme of arrangement (Refer Note 39)	(1.4)
Balance as at March 31, 2026	**15.0**
Net carrying amount	
Balance as at March 31, 2025	**10.3**
Balance as at March 31, 2026	**11.8**

Note: There are no intangibles assets under development.

6 Non-Current Investments

Particulars	March 31, 2026	March 31, 2025
Unquoted		
Investment carried at cost		
A. Investments in equity instruments of subsidiaries		
SKF India (Industrial) Limited Nil equity shares (March 31, 2025 - 10,000 equity shares of INR 10/- each fully paid) Refer note (i) below	-	0.1
TOTAL (A)	**-**	**0.1**
B. Investment in associates		
i. Equity Instruments at cost, fully paid up		
Sunstrength Renewables Private Limited (599,625 equity shares (March 31, 2025 - 599,625) of INR 10/- each fully paid	47.9	47.9
CleanMax Taiyo Private Limited 28,867 equity shares (March 31, 2025 - 28,867) of INR 10/- each fully paid	42.2	42.2
TOTAL (B)	**90.1**	**90.1**
TOTAL (A+B)	**90.1**	**90.2**
Aggregate book value of unquoted investments	90.1	90.2
Aggregate book value of quoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Notes:

i. During the year ended March 31, 2025, the Company subscribed to 100% equity shares in SKF India (Industrial) Limited, (the “wholly owned subsidiary company”) incorporated under the Companies Act, 2013 and its rules. Subsequently, pursuant to the Scheme of Demerger approved by the Honourable National Company Law Tribunal (NCLT), the investment held by the Company in the Subsidiary stood cancelled in accordance with the terms of the said Scheme. Consequent to such cancellation, SKF India (Industrial) Limited ceased to be a subsidiary of the Company with effect from October 01, 2025. Refer note 39.

ii. During the year ended March 31, 2021, the Company had subscribed to 26.74% equity shares in Sunstrength Renewables Private Limited (SRPL) (the ‘associate company’), a Company incorporated pursuant to the requirements of the Electricity Act, 2002 and its rules.Further during the year ended March 31, 2024, the Company has subscribed 290,000 equity shares of SRPL vide issuance of equity shares. The equity shareholding of 26.74% remains the same.

During the year ended March 31, 2023, the Company had subscribed to 26.00% equity shares in CleanMax Taiyo Private Limited (CTPL) (the ‘associate company’), a Company incorporated pursuant to the requirements of the Electricity Act, 2002 and its rules. Further during the year ended March 31, 2024, the Company has subscribed 26,267 equity shares of CTPL vide issuance of equity shares. The equity shareholding of 26.00% remains the same.

7 Loans

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good				
Loan to related party* (refer note 40)	-	1,576.0	-	1,576.0
Loan to others**	-	-	33.3	-
Transfer under the scheme of arrangement (Refer Note 39)	-	(1,576.0)	-	-
TOTAL	**-**	**-**	**33.3**	**1,576.0**

**Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013)*

*** The Company has given advance in nature of loan for supply of goods. The rate of interest on the loan is at arm’s length price.*

Notes:

i) Refer Note 40 for related party disclosures

ii) Loan given to SKF Engineering and Lubrication India Private Limited (a fellow subsidiary / Borrower) with original repayment starting from financial year 2014 onwards. During the FY 2023-24 (erstwhile demerger), the repayment terms of the loan are extended till 2029 and same was novated to SKF India (Industrial) Limited (“Resulting Company”).

The said loan together with interest is secured by first charge by way of hypothecation on all the fixed assets of the borrower and corporate guarantee given by AB SKF (erstwhile Ultimate Parent Company). Loan is considered to be recoverable considering favourable loan to security ratio, no defaults in repayment in the past, improved operational performance of the borrower, support by the borrower’s holding company in the past and supported by reasonable assumption used for future cash flow. The rate of interest on the loan is the average deposit and lending rate (higher of the two) for the period of the loan and prevailing yield for the government securities closest to the tenure of the loan, whichever is higher.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Disclosure as per Schedule III

Particulars	March 31, 2026		March 31, 2025	
	Amount outstanding	% to the total loans and advances in the nature of loans	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good (refer note (ii) above)				
Other related parties	-	-	1,576.0	100%
TOTAL	**-**	**-**	**1,576.0**	**100%**

8 Other Financial Assets

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good (unless otherwise specified)				
Security Deposits	27.6	72.5	-	111.0
EMD and other deposits				
- Unsecured, considered good	-	1.2	-	227.5
- Unsecured, considered doubtful	-	-	-	136.0
	-	**1.2**	**-**	**363.5**
Less: Allowance for doubtful deposits	-	-	-	(136.0)
	-	**1.2**	**-**	**227.5**
Other receivables				
Related party (Refer note 40)	75.9	-	-	-
Other than related party	4.6	-	7.8	0.2
Interest accrued:				
On fixed deposits with banks	2.6	-	30.8	-
	110.7	**73.7**	**38.6**	**338.7**

9 Deferred Tax Assets (net)

Particulars	March 31, 2026	March 31, 2025
Deferred tax assets	198.8	391.2
Deferred tax liabilities	-	-
Deferred tax assets (net)	**198.8**	**391.2**

Notes:

i) Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.

The Company has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Movements in deferred tax asset / (liabilities) (net)

Deferred tax assets / (liabilities) relates to the following:

Particulars	Balance as at April 01, 2025	Deferred Tax charge / (Credit) recognised in Profit & Loss statement (refer note 35 A)	Deferred Tax charge / (Credit recognised in OCI (refer note 35 B)	Deferred tax assets / (liabilities) transferred pursuant to Scheme of Demerger	Other timing differences	Balance as at March 31, 2026
Deferred tax assets relating to:						
Provision for employee benefits	178.2	9.6	(4.6)	(90.4)	-	92.8
Provision for doubtful trade receivables	69.7	(12.0)	-	(26.1)	-	31.6
Provision for Obsolete stock	80.4	(18.4)	-	(45.0)	-	17.0
Written Down Value of Property, plant and equipment	0.3	10.9	-	(0.3)	-	10.9
Others	62.6	99.0	-	(115.2)	-	46.4
	391.2	**89.1**	**(4.6)**	**(277.0)**	**-**	**198.8**
Deferred tax liabilities relating to:						
	-	-	-	-	-	-
TOTAL	**391.2**	**89.1**	**(4.6)**	**(277.0)**	**-**	**198.8**

Particulars	Balance as at April 01, 2024	Deferred Tax charge / (Credit) recognised in Profit & Loss statement (refer note 35 A)	Deferred Tax charge / (Credit recognised in OCI (refer note 35 B)	Deferred tax assets / (liabilities) transferred pursuant to Scheme of Demerger	Other timing differences	Balance as at March 31, 2025
Deferred tax assets relating to:						
Provision for employee benefits	138.3	12.9	27.0	-	-	178.2
Provision for doubtful trade receivables	60.4	9.3	-	-	-	69.7
Provision for Obsolete stock	61.0	19.4	-	-	-	80.4
Written Down Value of Property, plant and equipment	0.4	(0.1)	-	-	-	0.3
Others	51.0	11.6	-	-	-	62.6
	311.1	**53.1**	**27.0**	**-**	**-**	**391.2**
Deferred tax liabilities relating to:						
	-	-	-	-	-	-
TOTAL	**311.1**	**53.1**	**27.0**	**-**	**-**	**391.2**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

10 Non-Current Tax Assets

Particulars	March 31, 2026	March 31, 2025
Non-current tax asset (net of provision March 31, 2026: INR 26,178 Million (March 31, 2025 - INR 24,228 Million)	694.3	416.9
TOTAL	**694.3**	**416.9**

Movement of Non-current tax asset:

Particulars	March 31, 2026	March 31, 2025
Opening Balance	416.9	289.9
Add: Taxes paid during the year	1,293.0	2,155.4
Less: Provision for Income tax -continuing operations	(679.5)	(920.7)
Less: Provision for Income tax - discontinuing operations	(556.6)	(1,084.3)
Less: Current Tax adjustment of earlier years	(402.2)	(23.4)
Less: Interest on BAPA Tax accounted under exceptional items (refer note 34)	(72.8)	-
Add: Pre-deposit against earlier year tax provisions	695.5	-
Closing Balance	**694.3**	**416.9**

11 Other Assets

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Capital Advances	-	76.0	-	57.5
Prepaid Expenses	151.7	15.8	153.1	14.7
Advances to suppliers	241.7	-	272.7	-
Export benefits / duty entitlements				
- Unsecured, considered good	17.2	-	18.5	-
- Unsecured, considered doubtful	-	-	3.1	-
	17.2	**-**	**21.6**	**-**
Less: Allowance for doubtful receivables	-	-	(3.1)	-
	17.2	**-**	**18.5**	**-**
Balances with government authorities	599.0	-	636.6	-
Amount paid under protest / dispute				
- Direct Tax	-	303.0	-	950.5
- Indirect Tax	-	46.9	-	52.1
	-	**349.9**	**-**	**1,002.6**
Other receivables				
- Unsecured, considered good	80.5	-	125.1	-
- Unsecured, considered doubtful	-	4.9	-	4.9
	80.5	**4.9**	**125.1**	**4.9**
Less: Allowance for doubtful receivables	-	-	-	(4.9)
	80.5	**4.9**	**125.1**	**-**
TOTAL	**1,090.1**	**446.6**	**1,206.0**	**1,074.8**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

12 Inventories

Particulars	March 31, 2026	March 31, 2025
Valued at lower of cost or net realizable value		
Raw Materials and Bought-Out Components including material in transit (March 31, 2026 INR 112.60 Million March 31, 2025 INR 121.4 Million)	943.5	848.5
Stores and Spares including material in transit (March 31, 2026:Nil, March 31, 2025 : INR 42.6 Million)	641.0	593.9
Work-in-progress	114.1	33.9
Finished Products including Goods in transit (March 31, 2026: INR 480.0 Million, March 31, 2025:INR 1,454.4 Million)	1,535.8	7,257.0
TOTAL	**3,234.4**	**8,733.3**

The cost of inventories recognised as an expense during the year in respect of continuing operations was INR 84.9 Million (March 31, 2025: INR 261.5 Million).

13 Trade receivables

Particulars	March 31, 2026	March 31, 2025
Trade receivables from contract with customers – billed	3,597.7	7,770.2
Trade receivables from contract with customers – unbilled	32.6	55.1
Trade receivables from contract with related parties – unbilled	24.9	160.8
Trade receivables from contract with customers – related parties	3,627.6	761.4
Less: Loss allowance	(90.2)	(261.7)
TOTAL	**7,167.7**	**8,485.8**
Break-up of security details		
Trade Receivables		
Considered good – unsecured	7,167.7	8,485.8
Credit impaired	90.2	261.7
TOTAL	**7,257.9**	**8,747.5**
Less : Loss allowance	(90.2)	(261.7)
TOTAL	**7,167.7**	**8,485.8**

Notes:

I) Trade receivables are non-interest bearing.

ii) No trade receivables are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

iii) Refer note 43 for information on credit risk and market risk.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

A. Ageing of trade receivables for the year ended March 31, 2026

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	32.6	3,182.9	281.5	18.1	-	-	-	3,515.1
(ii) Undisputed trade receivables -considered good - related parties (Refer note 40)	24.9	1,520.1	2,104.4	0.2	1.4	-	1.5	3,652.5
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	2.6	23.9	24.3	20.2	13.2	84.2
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	-	-	6.1	-	6.1
TOTAL	**57.5**	**4,703.0**	**2,388.5**	**42.2**	**25.7**	**26.3**	**14.7**	**7,257.9**
Less: Loss allowance								(90.2)
TOTAL	**57.5**	**4,703.0**	**2,388.5**	**42.2**	**25.7**	**26.3**	**14.7**	**7,167.7**

B. Ageing of trade receivables for the year ended March 31, 2025

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	55.1	6,376.2	1,132.3	-	-	-	-	7,563.6
(ii) Undisputed trade receivables -considered good - related parties (Refer note 40)	160.8	704.3	32.2	19.3	-	3.9	1.7	922.2
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	56.8	-	-	-	-	56.8
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	64.7	42.6	10.5	87.1	204.9
TOTAL	**215.9**	**7,080.5**	**1,221.3**	**84.0**	**42.6**	**14.4**	**88.8**	**8,747.5**
Less: Loss allowance								(261.7)
TOTAL	**215.9**	**7,080.5**	**1,221.3**	**84.0**	**42.6**	**14.4**	**88.8**	**8,485.8**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

14 Cash and cash equivalents

Particulars	March 31, 2026	March 31, 2025
Balances with Banks		
- On Current Account	191.5	435.2
- On EEFC Account	45.4	273.6
- On Deposit Account (with original maturity of 3 months or less)	2,686.0	6,398.8
TOTAL	**2,922.9**	**7,107.6**

15 Bank balances other than above

Particulars	March 31, 2026	March 31, 2025
Bank deposits with original maturity of more than 3 months or equal to less than 12 months	0.5	0.5
Unclaimed Dividend Account*	75.6	80.1
TOTAL	**76.1**	**80.6**

**Unclaimed dividend account represent amounts held for dividend remittance. Amounts held for divided remittance are not available for use.*

16 Equity Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Authorised Equity Share Capital				
100,000,000 equity shares of Rs. 10 each (March 31, 2025: 100,000,000 equity share of Rs. 10 each)	100.0	1,000.0	100.0	1,000.0
Issued, subscribed and fully paid-up				
49,437,963 equity shares of Rs. 10 each fully paid-up (March 31, 2025: 49,437,963 equity shares of Rs. 10 each fully paid-up)	49.4	494.4	49.4	494.4

Movement in issued, subscribed and paid up Equity Share Capital

A. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity Shares :				
At the beginning of the year	49.4	494.4	49.4	494.4
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	**49.4**	**494.4**	**49.4**	**494.4**

B. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

C. Shares of the company held by Holding company and their subsidiaries

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity shares of INR 10 each fully paid up held by				
(a) Holding company				
Aktiebolaget SKF (AB SKF)	-	-	22.7	226.7
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f. December 22, 2025) (Refer note D below)	26.0	260.0	-	-
(b) Subsidiaries of holding company				
SKF U.K. Limited (Refer note D below)	-	-	3.1	31.3
SKF Forvaltning AB (Refer note D below)	-	-	0.2	2.0
TOTAL	**26.0**	**260.0**	**26.0**	**260.0**

D. Pursuant to the scheme of demerger, on October 1, 2025, SKF (UK) Ltd and SKF Forvaltning transferred their holdings of 3,129,581 equity shares (representing 6.33% of the paid-up equity share capital) and 196,423 equity shares (representing 0.40% of the paid-up equity share capital) respectively in SKF India Limited to AB SKF. Consequent to the aforesaid transfer, AB SKF's aggregate shareholding in SKF India Limited increased to 25,992,059 equity shares, constituting 52.58% of the paid-up equity share capital.

On December 22, 2025, AB SKF transferred its entire holding of 25,992,059 equity shares (representing 52.58% of the paid-up equity share capital) in SKF India Limited to SKF Vertevo AB (formerly known as SKF Interim AB).

As of March 09, 2026, SKF Interim AB, which has since been renamed SKF Vertevo AB, holds 25,992,059 equity shares (representing 52.58% of the paid-up equity share capital) in SKF India Limited. This shareholding position remains unchanged as of March 31, 2026.

The Company has not issued any fully paid up bonus share, made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date.

E. Details of shareholders holding more than 5% equity share capital in the Company

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	% of total shares in the class	Number of shares (Million)	% of total shares in the class
Aktiebolaget SKF, holding company	-	-	22.7	45.8%
SKF U.K. Limited, fellow subsidiary company	-	-	3.1	6.3%
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f. December 22, 2025) (Refer note D above)	26.0	52.6%	-	-
TOTAL	**26.0**		**25.8**	

F. Details of shareholding of Promoters

Name of the promoter	As at March 31, 2026			As at March 31, 2025		
	Number of shares (Million)	% of total shares in the class	% of change during the year	Number of shares (Million)	% of total shares in the class	% of change during the year
Aktiebolaget SKF (AB SKF)	-	-	(45.8%)	22.7	45.8%	-
SKF U.K. Limited	-	-	(6.3%)	3.1	6.3%	-
SKF Forvaltning AB	-	-	(0.4%)	0.2	0.4%	-
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f. December 22, 2025) (Refer note D above)	26.0	52.6%	52.6%	-	-	-

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

G. Dividends

Particulars	March 31, 2026	March 31, 2025
i) Equity shares		
Dividend paid		
March 31, 2025 (INR 14.5 per share)	716.9	-
March 31, 2024 (INR 130 per share)	-	6,426.9
ii) Dividends not recognised at the end of reporting period		
In addition to the dividend in point (i) above, post year end the Board of Directors in their meeting held on May 13, 2026 have recommended the payment of a dividend of INR 40 per fully paid equity share (March 31, 2025 – INR 14.5). This proposed dividend is subject to the approval of shareholders in the Annual General meeting.	1,977.6	716.9

17 Other Equity

Particulars	March 31, 2026	March 31, 2025
Reserves and Surplus		
General reserve	2,838.9	2,838.9
Capital redemption reserve	32.9	32.9
Retained earnings	9,928.3	22,613.3
TOTAL	**12,800.3**	**25,485.1**

There are no changes due to changes in accounting policies or prior period errors.

A. General reserve (Refer note (i) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	2,838.9	2,838.9
Addition during the year	-	-
Balance as at the end of the year	**2,838.9**	**2,838.9**

B. Capital redemption reserve (Refer note (ii) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	32.9	32.9
Addition during the year	-	-
Balance as at the end of the year	**32.9**	**32.9**

C. Retained Earnings (Refer note (iii) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	22,613.3	23,462.2
Add - Profit for the year from Continuing operations	1,172.2	2,633.2
Add - Profit for the year from Discontinued operations	1,487.9	3,024.9
Add - Other comprehensive income recognised directly in retained earnings	(13.3)	(80.1)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	March 31, 2026	March 31, 2025
Less : Dividend on Equity shares INR 14.5 per share (Previous year INR 130 per share)	(716.9)	(6,426.9)
Less : Net assets transferred in accordance to scheme of demerger (Refer Note 39)	(14,614.9)	-
Balance as at the end of the year	**9,928.3**	**22,613.3**

Notes:

i) **General Reserve :** General Reserve represents appropriation of profit by the Company. This represents a free reserve and is available for dividend distributions. The reserve is a free reserve.

ii) **Capital Redemption Reserve :** This reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956, now Companies Act 2013.

iii) **Retained Earnings :** Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

18 Provisions

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Disputed statutory and other matters	-	49.4	-	84.5
Warranty	-	26.5	2.6	7.4
Coupons & Incentives	341.0	-	275.7	-
Provision for employee benefits				
- Compensated absences	-	270.6	89.8	325.2
- Provident fund liability (Refer note 41)	-	41.2	-	132.3
- Gratuity (Refer note 41)	73.0	-	61.5	-
TOTAL	**414.0**	**387.7**	**429.6**	**549.4**

A. Movements in provisions

Movements in each class of provision during the financial year

Particulars	Disputed statutory and other matters	Warranty	Coupons & Incentives	Total
As on April 01, 2024	**76.8**	**21.1**	**261.0**	**358.9**
Provision made during the year	12.3	8.5	869.0	889.8
Provision utilised during the year	(4.6)	(19.6)	(854.3)	(878.5)
As on March 31, 2025	**84.5**	**10.0**	**275.7**	**370.2**
Provision made during the year	6.5	47.1	987.9	1,041.5
Provision utilised during the year	(41.6)	(28.0)	(646.9)	(716.5)
Transfer under the scheme of arrangement (Refer Note 39)	-	(2.6)	(275.7)	(278.3)
As on March 31, 2026	**49.4**	**26.5**	**341.0**	**416.9**

All provisions are measured at carrying values since the impact of discounting is not significant.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

(i) Provision for disputed statutory and other matters:

This represents provisions made for probable liabilities / claims arising out of pending disputes / litigations with various regulatory authorities and those arising out of commercial transactions with vendors / employees / others. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of outflow of resources will depend upon timing of decision of cases. The Company has reviewed the various liabilities / claims relating to tax and legal matters and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

(ii) Provision for warranties:

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.

(iii) The provision for other obligations is on account of coupons given on products sold by the Company and other retailers and distributors incentive schemes. The provision for coupons is based on the historical data / estimated figures. The timing and amount of the cash flows that will arise will be determined at the time of receipt of claims from customers, which is generally up to 18 months.

19 Trade Payables

Particulars	March 31, 2026	March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises	187.6	505.5
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	1,564.2	1,336.4
(iii) Payable to related parties (Refer note 40)	3,729.0	4,787.8
TOTAL	**5,480.8**	**6,629.7**

Notes:

(i) Trade payables are generally non-interest bearing.

(ii) Refer note 43 for information about liquidity risk and market risk.

A. Ageing of Trade payables as on March 31, 2026

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	187.1	0.4	0.1	-	-	187.6
(ii) Other than micro enterprises and small enterprises	2,316.8	2,573.9	275.6	65.2	-	61.7	5,293.2
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTAL	**2,316.8**	**2,761.0**	**276.0**	**65.3**	**-**	**61.7**	**5,480.8**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

B. Ageing of Trade payables as on March 31, 2025

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	493.2	7.5	1.0	0.9	2.9	505.5
(ii) Other than micro enterprises and small enterprises	1,320.4	4,279.2	438.1	11.9	22.7	51.9	6,124.2
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTAL	**1,320.4**	**4,772.4**	**445.6**	**12.9**	**23.6**	**54.8**	**6,629.7**

C. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	March 31, 2026	March 31, 2025
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to Micro and Small Enterprises*	208.4	515.9
Interest due on above	26.4	23.3
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	285.4	335.5
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	3.2	5.6
(iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	23.2	17.7

**Includes amount of INR 205 Million (March 31, 2025 INR 233 Million) outstanding, but not overdue to micro and small as on March 31, 2026.*

Note : The above information has been compiled by the Company on the basis of information made available by vendors during the year ended March 31, 2026 and year ended March 31, 2025

D. Reconciliation to Trade Payable total outstanding dues of micro and small enterprises and msme disclosure principal amount

Particulars	March 31, 2026	March 31, 2025
MSME Principal	187.6	505.5
Payables on account of capital purchases (Refer note 20)	20.8	10.4
Total outstanding dues to Micro And Small Enterprises	**208.4**	**515.9**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

20 Other current financial liabilities

Particulars	March 31, 2026	March 31, 2025
Salaries and Incentives	145.1	245.1
Liabilities for dealer incentives	78.1	1,065.2
Unclaimed dividend (Refer note (i))	75.7	80.0
Payables on account of capital purchases	115.2	60.3
Other liabilities (Refer note (ii))	204.9	297.8
TOTAL	**619.0**	**1,748.4**

Notes:

(i) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2026 except INR 0.2 Million (March 31, 2025 INR 0.2 Million) which is held in abeyance due to legal cases pending. The same has been deposited by the Bank to RBI Depositor Education and Awareness Fund Account. The Company is in the process to recover the money back to Unclaimed Dividend Account.

(ii) Other liabilities includes amount payable towards retention amount for trade payables, etc.

21 Current Tax Liabilities (Net)

Particulars	March 31, 2026	March 31, 2025
Current Tax Liabilities (Net)	178.2	-
(Net of advance tax INR Nil (March 31, 2025: Nil))	-	-
TOTAL	**178.2**	**-**

22 Other Current Liabilities

Particulars	March 31, 2026	March 31, 2025
Statutory dues payable	172.3	189.0
Advances received from customers	214.9	42.6
TOTAL	**387.2**	**231.6**

23 Revenue from Operations

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from contracts with customers		
Sale of products		
Manufactured goods	17,152.2	17,040.7
Traded goods	3,152.1	966.0
Total revenue from sale of products	**20,304.3**	**18,006.7**
Other operating income		
Scrap sales	53.6	47.1
Technical and other service income	202.0	360.9
Miscellaneous Operating Income		
ISA Service Income (Refer note 33)	709.4	-
Others (includes export benefits etc)	26.6	38.7
TOTAL	**21,295.9**	**18,453.4**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Pursuant to the Scheme of arrangement, certain customer contracts have not yet been novated to SKF India (Industrial) Limited as at the effective date of scheme. Consequently, revenue aggregating to INR 1,036.0 Million, pertaining to services performed by SKF India(Industrial) Limited under such non-novated contracts, has been billed by the Company on behalf of SKF India (Industrial) Limited during the period from October 01, 2025 to March 31, 2026 considering the Company acting as agent on behalf of SKF India (Industrial) Limited. Refer note 33 - Note on Interim Transition Services Agreement.

Also, the Company has made passthrough sales transactions for inward of inventory on behalf of SKF India (Industrial) Limited amounting to INR 1,462.7 Million.

A Disaggregation of revenue

Revenue disaggregation in terms of nature of goods and services has been included above. Refer note 37 for detailed information regarding the disaggregation of revenue.

B Timing of Revenue Recognition

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue recognised at a point in time	21,295.9	18,453.4
TOTAL	**21,295.9**	**18,453.4**

C Reconciliation of revenue as recognised in the Standalone Statement of Profit and Loss with the contracted price:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue as per Statement of Profit & Loss	21,295.9	18,453.4
Add: Incentive / rebates etc	1,253.6	788.4
Add: Discounts	2.2	1.7
Add: Liquidated damages	30.6	14.2
Contract price	**22,582.3**	**19,257.7**

24 Other Income

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest Income from Financial assets at amortised cost		
- Fixed deposits with banks	207.6	210.1
Rental income	74.9	-
Discount on license purchased	10.3	4.9
Gain on sale of Property Plant and Equipment (net)	2.3	0.4
Liabilities and Provisions no longer required written back	37.4	-
Net gain on foreign currency transactions and translations	135.7	71.2
Miscellaneous Income (Includes Job work etc.)	302.3	19.9
TOTAL	**770.5**	**306.5**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

25 Cost of materials consumed

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventory at the beginning of the year	848.5	670.3
Add : Purchases during the year	11,322.1	12,650.9
Less : Inventory at the end of the year	(943.5)	(848.5)
Less : Transfer due to scheme of arrangement (Refer Note 39)	(2,699.9)	(3,979.3)
Cost of materials consumed	**8,527.2**	**8,493.4**

26 Purchases of stock-in-trade

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Purchases of traded goods	2,599.3	596.2
TOTAL	**2,599.3**	**596.2**

27 Changes in inventories of finished goods,work-in-progress and stock-in-trade

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening inventory		
Finished goods	1,539.1	1,468.3
Work in Progress	33.9	29.9
Traded goods	5,717.9	4,011.7
	7,290.9	**5,509.9**
Less : Closing inventory		
Finished goods	1,418.1	1,539.1
Work in Progress	114.1	33.9
Traded goods	117.7	5,717.9
	1,649.9	**7,290.9**
Less: Changes in inventory on account of discontinued operations (Refer Note 39)	(380.8)	1,051.4
Less: Inventory Transfer under the scheme of arrangement (Refer Note 39)	(4,944.0)	-
(Increase) / Decrease in inventories	**316.2**	**(729.6)**

28 Employee benefit expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Salaries, Wages and Bonus	1,315.0	1,426.9
Share based payments (Refer Note 45)	17.4	8.8
Contribution to Provident and other funds (Refer note 41)	102.6	103.9
Gratuity (Refer note 41)	23.0	23.9
Compensated absences	49.4	37.7
Staff welfare expenses	226.6	264.2
TOTAL	**1,734.0**	**1,865.4**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

29 Finance Costs

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest expense on lease liabilities (Refer note 3(b))	1.7	-
TOTAL	**1.7**	**-**

30 Depreciation and Amortisation expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 3(a))	589.3	481.7
Depreciation of right-of-use assets (Refer note 3(b))	30.9	38.1
Amortisation of Intangible assets (Refer note 5)	5.0	2.4
Depreciation of Investment property (Refer note 4)	5.0	5.0
TOTAL	**630.2**	**527.2**

31 Other Expenses

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Consumption of stores and spare parts	1,048.8	905.1
Power and Fuel	431.2	396.1
Repairs and maintenance		
- Building	25.0	32.8
- Machinery	421.3	372.0
Royalty	531.5	559.4
IT Services	500.8	343.5
Trade mark fees	342.7	350.9
Rental charges (Refer note 3(b))	17.9	5.1
Insurance	57.4	53.5
Rates and Taxes	17.4	6.6
Travel and conveyance	152.9	172.2
Legal and professional fees	120.3	31.3
Payment to auditors (Refer note 31.1 below)	6.1	6.4
Advertising and sales promotion	96.5	129.8
Logistic Cost	229.3	247.6
Provision for bad and doubtful debts	9.3	10.0
Bad debts written off	9.2	10.0
Directors' Commission / Sitting Fees	5.0	3.0
Expenditure incurred for Corporate Social Responsibility (Refer note 32 below)	160.7	135.4
Loss on sale of property,plant and equipment	4.4	-
Net Exchange Loss	70.2	-
Miscellaneous expenses	1,378.9	684.7
TOTAL	**5,636.8**	**4,455.8**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

31.1 Payment to Auditors

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
As auditor		
- Statutory audit (including limited reviews)	4.9	4.3
- Other audit services	1.0	1.0
In other capacities		
- Certification fees	0.2	1.1
	6.1	**6.4**

32 Details of Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
a) Gross amount required to be spent by the Company during the year	148.7	132.4
b) Amount of expenditure incurred	160.7	135.4
c) (Excess) / Shortfall at the end of the year	(12.0)	(3.0)
d) Total of previous years shortfall*		
e) Reason for shortfall		
f) Nature of CSR activities	CSR activities are mainly focused towards Youth empowerment, women empowerment, education and others	CSR activities are mainly focused towards Youth empowerment, women empowerment, education and others
g) Details of related party transactions	-	-
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	-	-
Contribution towards Youth Empowerment	54.5	51.8
Contribution towards Women Empowerment	35.5	35.5
Contribution towards Education	33.3	19.3
Others	37.4	28.8
TOTAL	**160.7**	**135.4**
Amount spent during the year on		
(i) Construction / acquisition of an Assets	-	-
(ii) On purpose other than (i) above	160.7	135.4
	160.7	**135.4**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

33 Note on Interim Transition Service Arrangements

Pursuant to the Scheme of Arrangement, SKF India Limited ("the Company") and SKF India (Industrial) Limited entered into Interim Transition Service Arrangements ("ISA") for the sharing of common facilities and functions. Under these arrangements, the costs attributable to such shared facilities and functions are reimbursed by the Company on a proportionate basis, in the ratio mutually agreed upon by both entities, with effect from the appointed date of October 01, 2025. The costs so reimbursed are recognised in the books of account of the Company under the respective expense heads.

34 Exceptional Items

	Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
	Exceptional Items (Continuing Operations)		
(i)	Demerger expenses (Refer note (i) below)	174.2	-
(ii)	Gratuity on account of New Labour Codes (Refer note (ii) below)	24.0	-
(iii)	Finance cost on incremental tax liability on account of Bilateral Advanced Pricing Agreement (BAPA) (Refer note 38 A (i))	72.8	-
		271.0	**-**
	Exceptional Items (Discontinued Operations)		
(i)	Demerger expenses (Refer note (i) below)	160.2	-
	TOTAL	**160.2**	**-**

(i) During the year ended March 31, 2026, the Company has incurred certain demerger expense for continuing operations for IT cost (INR - 131.6 Million), professional services (INR - 35.2 Million) and estimated transfer premium (INR 7.4 Million) and for discontinued operations IT cost (INR - 148.5 Million), professional services (INR - 11.7 Million) towards Scheme of Demerger as explained in note 39. These restructuring costs are non-recurring in nature and do not reflect the Company's normal operating performance.

(ii) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental financial impact of these changes on the basis of legal advise obtained and the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented this incremental financial impact as "Statutory impact of new Labour Codes" under "Exceptional item". The incremental impact consisting of gratuity of INR 24 million for the year ended March 31, 2026 primarily arises due to change in wage definition.

The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed, if any on the measurement of liability pertaining to employee benefits.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

35 Income Tax Expense

A. Amount recognised in profit or loss

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Continuing Operations		
(a) Current Tax:		
In respect of the current year	678.8	920.7
In respect of earlier years	530.4	23.4
(b) Deferred Tax charge / (credit):		
In respect of the current year	(31.4)	(25.8)
In respect of earlier years	-	-
Sub-Total (A)	**1,177.8**	**918.3**
Discontinued Operations		
(a) Current Tax:		
In respect of the current year	556.6	1,084.4
(b) Deferred Tax:		
In respect of the current year	(60.1)	(29.7)
Sub-Total (B)	**496.5**	**1,054.7**
Income tax expense reported in the standalone statement of profit and loss	**1,674.3**	**1,973.0**

B. Income tax recognised in other comprehensive income

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Continuing Operations		
Re-measurement of the net defined benefit liability / asset:		
Re-measurement (loss) / Income on defined benefit plans before tax	(39.7)	(116.0)
Tax expense	10.1	29.2
Sub-Total (A)	**(29.6)**	**(86.8)**
Discontinued Operations		
Re-measurement of the net defined benefit liability / asset:		
Re-measurement (loss) / Income on defined benefit plans before tax	21.8	8.9
Tax expense	(5.5)	(2.2)
Sub-Total (B)	**16.3**	**6.7**
Income tax expenses reported in other comprehensive income	**(13.3)**	**(80.1)**

C. Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

D. Reconciliation of effective tax rate

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Profit before tax (including continuing and discontinued operations)	4,334.5	7,631.1
Tax using the Company's domestic tax rate of 25.168%	1,091.0	1,920.8
Effect of:		
Tax relating to earlier years	530.4	23.4
Corporate social responsibility expenditure	37.5	34.1
Others (Standard deduction, Provision for MSME interest, etc.)	15.4	(5.3)
Income tax credit reported in the standalone statement of profit and loss	**1,674.3**	**1,973.0**
Tax impact of remeasurement of post employment benefits obligation recognised in other comprehensive income	4.6	27.0

36 Earnings per share

Basic and diluted earnings per share

The earnings per share (basic & diluted), computed as per the requirement under Indian Accounting Standard (IND AS 33) on 'Earnings per Share' is as under:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
For Continuing operations		
Nominal value of equity shares (INR) per share	10	10
Profit attributable to Equity Shareholders (INR in Million)	1,172.2	2,633.2
Weighted average number of Equity Shares outstanding during the year	49,437,963	49,437,963
Basic and diluted earnings per share (INR)*	**23.7**	**53.3**
For Discontinuing operations		
Nominal value of equity shares (INR) per share	10	10
Profit attributable to Equity Shareholders (INR in Million)	1,487.9	3,024.9
Weighted average number of Equity Shares outstanding during the year	49,437,963	49,437,963
Basic and diluted earnings per share (INR)*	**30.1**	**61.1**
Total Basic and diluted earnings per share (INR)*	**53.8**	**114.4**

**There are no dilutive potential equity shares*

37 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Board of Directors has been identified as the Chief operating decision maker (CODM). The Company operates in only one business segment viz. 'Bearings'. This is the principal activity for the Company. The segment revenue is measured in the same way in Statement of Profit and Loss.

Information about geographical segments	Year Ended March 31, 2026	Year Ended March 31, 2025
Segment revenue		
Within India	19,810.9	13,652.2
Outside India	1,485.0	4,801.2
	21,295.9	**18,453.4**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Information about geographical segments	Year Ended March 31, 2026	Year Ended March 31, 2025
Segment assets *		
Within India	5,916.3	7,646.3
Outside India	-	-
	5,916.3	**7,646.3**

** Non Current Assets excludes Deferred Tax assets and Financial Instruments*

38 Commitments and Contingent Liabilities

A. Contingent liabilities (to the extent not provided for):

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Claims against the Company not acknowledged as debts		
(i) Income-tax *	1,582.3	4,034.2
(ii) Excise & Customs duty#	257.0	411.5
(iii) GST, Service Tax and Sales tax #	211.2	197.6
(iv) Others	93.4	1,177.1
TOTAL	**2,143.9**	**5,820.4**

** Including interest of INR 205.8 Million (March 31, 2025 INR 1,427 Million) as per the demand order.*

Notes:

(i) Income Taxes - Bilateral Advance pricing Agreement Impact

During the current year, the Company entered into a Bilateral Advance Pricing Agreement ("BAPA") with the Central Board of Direct Taxes ("CBDT") on March 18, 2026, covering financial years FY 2012–13 to FY 2020–21 for certain transactions with its Ultimate Parent Company. Pursuant to the BAPA, tax relating to prior years for the year ended March 31, 2026 includes, an incremental tax expense of INR 614.8 million (including interest of INR 72.8 million which is disclosed as an exceptional item for the year ended March 31, 2026)

Pending completion of assessment proceedings, the total primary adjustment arising from the BAPA including advance tax, tax paid under protest, and provisions for these years continues to be carried in the Company's books. Once assessments are concluded, the final tax payable / refund will be settled between the Company and Resulting Company companies on an agreed predetermined ratio.
The tax impact of secondary adjustments, for which no provision or advance tax had previously been recorded, has been allocated between the Company and the Resulting Company in accordance with the Scheme of Demerger approved by Honourable National Company Law Tribunal (NCLT). The tax charge relating to such secondary adjustments, included in the incremental tax expense above, amounts to INR 88.8 million.

The substantial reduction in Contingent Liability is on account of BAPA signed by the Company with CBDT. The Contingent Liability related to the aforesaid years are reversed of INR 2,704.4 Million (SKF India Limited INR 1,591.3 Million and SKF (India) Industrial Limited INR 1,113.1 Million)

(ii) Income Taxes - Others

The Company has outstanding disputes with Direct Tax authorities mainly relating to tax treatment of certain expenses claimed as deduction, computation or allowances and transfer pricing matters.

During the year, the company has received final assessment order for the Financial year 2021-22 with upward adjustment of INR 693.7 Million towards transfer pricing addition. The company has preferred appeal before the Commissioner of Income Tax (Appeals) and the same is pending to be heard.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The company has also received order subsequent to the voluntary revocation of Health and education cess claim for the Financial year 2018-19 under section 154 r.w.s 155(18) of the Income-tax Act, 1961 leading to the adjustment of INR 71.8 Million. The company already has provided for the tax expense on account of the same and has filed for the rectification application before the Assessing officer towards the incorrect levy of Interest component which is also part of Contingent Liability INR 8.2 Million.

(iii) GST Service Tax -Sales Tax

The Company has outstanding disputes with Indirect Tax authorities mainly relating to VAT, Service tax and GST.

(iv) Customs Duty

During the previous year, the Company has received show cause cum demand notice from customs authority of India to enforce bond u/s 143 of the Customs Act 1962 w.r.t advance license issued during FY 1997-98. The Company has successfully closed part of the licenses. For the closure of remaining licenses, the Company is co-ordinating with DGFT and Customs Authorities. In response RTI application was filed on June 29, 2024, with the Chief Commissioner of Customs and the Directorate General of Foreign Trade. The Company is currently in the process of preparing its reply and, where applicable, filing a writ petition.

(iv) Others

The Company has disclosed other claims relating to civil cases considering similar industry practices.

(v) The Company has evaluated the impact of the recent supreme court judgment in case of "Vivekananda Vidyamandir and Others vs The Regional Provident Fund Commissioner (II), West Bengal" and the related circular (Circular No. -C-I/1(33)2019/Vivekananda Vidya Mandir /284) dated March 20, 2019 issued by the Employees' Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision is recorded as at March 31, 2026.

(vi) Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT dated September 26, 2025, the Industrial Business of the company was demerged into SKF India (Industrial) Limited ("Resulting Company"), with effect from October 01, 2025. The contingent liabilities relating to Income Tax and Indirect Tax continue to be carried in the books of the company, and shall be finally adjusted only upon ultimate settlement / closure of the respective proceedings, at which point, both entities will recognise their respective share of tax expense or refund in accordance with the Scheme. The company has a contractual right towards reimbursement of the amount of demand / refund finally determined.

B. Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances of INR 76.0 Million (March 31, 2025 INR 57.5 Million)	693.5	757.3
TOTAL	**693.5**	**757.3**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

39 Scheme of Arrangement between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors (referred as the "Scheme")

The Board of Directors of the Company at its meeting held on December 26, 2024, has approved the Scheme of Arrangement among SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors under section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). The Scheme has an appointed and effective date of October 01, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on October 01, 2025 ("Effective Date").

During the year, the Company has received requisite approval from NCLT, Mumbai Bench, vide its order dated September 26, 2025. Respective companies have subsequently filed the certified true copy of NCLT order along with the sanctioned scheme with the Registrar of Companies on September 30, 2025 (closing hours). Accordingly, the Scheme is effective w.e.f. October 01, 2025.

With effect from the Appointed and Effective Date, the Industrial Business of SKF India Limited (along with all assets, liabilities and retained earnings thereof at their respective carrying value as appearing in the books of the Demerger Company) was transferred to the Resulting Company on a going concern basis. As consideration, the Resulting Company, pursuant to the Scheme, allotted 43,437,963 Equity Shares of face and paid-up value of INR 10 each to the shareholders of the Demerged Company (as on the Record Date i.e., October 15, 2025) in the ratio of 1:1 (one Equity Share of INR 10 each issued by the Resulting Company for every one Equity Share of INR 10 each held in the Demerged Company). Consequently, the Resulting Company ceased to be a subsidiary of SKF India Limited with effect from October 01, 2025. The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in India on December 05, 2025.

The difference, being excess of carrying value of assets over the carrying value of liabilities of the Demerged company is adjusted against Retained earnings in accordance with the approved Scheme of Arrangement.

Particulars	As at October 01, 2025
Assets transferred to Resulting Company	22,332.5
Liabilities directly associated with assets transferred	(7,717.6)
Total Net Assets (Retained Earnings)	**14,614.9**

The corresponding figures in the Standalone Statement of Profit and Loss for the previous year have been presented as discontinued operations. Previous year Assets and Liabilities are not comparable due to Scheme of Arrangement.

(I) Income / (expense) pertains to Discontinued Operations

The financial performance and cash flow information presented are from April 01, 2025 to September 30, 2025 (March 31, 2026 column) and the year ended March 31, 2025.

Results of discontinued operations	Industrial business undertaking	
	March 31, 2026 (From April 01, 2025 to September 30, 2025)	March 31, 2025
Revenue from operations	16,336.9	30,745.8
Other Income	248.4	708.2
Total income (A)	**16,585.3**	**31,454.0**
Cost of materials consumed	2,699.9	3,979.3
Purchases of stock-in-trade	8,045.8	18,877.5
Changes in inventories of finished goods, work-in-progress and stock-in-trade	380.8	(1,051.4)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Results of discontinued operations	**Industrial business undertaking**	
	March 31, 2026 (From April 01, 2025 to September 30, 2025)	**March 31, 2025**
Employee benefits expense	1,094.0	1,732.4
Finance costs	1.8	7.0
Depreciation	149.6	303.6
Other expenses	2,068.8	3,526.0
Total Expenses (B)	**14,440.7**	**27,374.4**
Profit before tax and exceptional items(C)=(A)-(B)	**2,144.6**	**4,079.6**
Exceptional Items	160.2	-
Profit before tax and after exceptional items	**1,984.4**	**4,079.6**
Tax (expense)/ credit	(496.5)	(1,054.7)
Profit for the year	**1,487.9**	**3,024.9**
Other Comprehensive Income - gain, net of taxes	16.3	6.7
Total Comprehensive Income - gain, net of taxes	**1,504.2**	**3,031.6**

The above mentioned profit is attributable entirely to the owners of the Company.

(II) Summary of assets and liabilities transferred as of October 01, 2025:

Effect of disposal on the financial position of the Company (Industrial business undertaking)	**Balance as at October 01, 2025**
ASSETS	
Non-current Assets	
Property, plant and equipment	1,607.8
Right-of-use assets	10.1
Capital work-in-progress	1,147.4
Investment properties	236.3
Other Intangible assets	-
Financial assets	
Loans	1,576.0
Other Financial assets	253.3
Deferred tax assets (net)	277.0
Other non-current assets	16.4
Total non-current assets	**5,124.3**
Current Assets	
Inventories	5,306.5
Financial Assets	
Trade receivables	6,263.3
Cash and cash equivalents	5,232.8
Other Financial assets	0.1
Other Current Assets	405.4
Total current assets	**17,208.2**
TOTAL ASSETS	**22,332.5**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Effect of disposal on the financial position of the Company (Industrial business undertaking)	Balance as at October 01, 2025
EQUITY AND LIABILITIES	
Equity	
Equity Share Capital	494.4
Other Equity	14,120.5
Total Equity	**14,614.9**
LIABILITIES	
Non-current liabilities	
Financial Liabilities	
Lease Liabilities	0.8
Provisions	156.0
Total non-current liabilities	**156.8**
Current Liabilities	
Financial Liabilities	
Lease Liabilities	13.3
Trade Payables	
Outstanding dues of micro and small enterprises	309.6
Outstanding dues other than micro and small enterprises	5,512.7
Other Financial liabilities	1,376.7
Provisions	304.7
Other current liabilities	43.8
Total current liabilities	**7,560.8**
Total Liabilities	**7,717.6**
TOTAL EQUITY AND LIABILITIES	**22,332.5**

(III) Cash flows from Discontinued Operations for the period April 01, 2025 to September 30, 2025

Cash flow from discontinued operations	Industrial business undertaking
Net cash inflow / (outflow from operating activities	1,637.0
Net cash inflow / (outflow) from investing activities	(923.2)
Net cash (outflow) / inflow from financing activities	(12.2)
Net (decrease) / increase in cash and cash equivalents (discontinued operations)	**701.6**

Further, Resulting Company have pursuant to the Scheme, allotted 49,437,963 Equity Shares of INR 10 each, to the shareholders of the Company (as on the Record Date i.e. October 15, 2025) in 1:1 ratio (1 share of INR 10 each has been issued by Resulting Company for every 1 share of INR 10 each held in the Company).

As a result of Scheme become effective, the assets and liabilities as presented as at March 31, 2026 reflect the impact of the Scheme and are accordingly not comparable with those as at March 31, 2025.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

40 Related Party Transactions

Disclosure in respect of material transactions in accordance with Para 24 of Ind AS 24 - Related Party Disclosures

A. Name of related parties and description of relationship:

Particulars	
(a) Ultimate Parent Entity / Ultimate Controlling Party and Immediate Parent Entity / Immediate Controlling Party	Aktiebolaget SKF (AB SKF) (Till December 22, 2025) SKF Vertevo AB (formerly known as SKF Interim AB) (From December 22, 2025)
(b) Wholly owned subsidiaries	SKF India (Industrial) Limited (Till September 30, 2025)
(c) Associates	Sunstrength Renewables Private Limited
	CleanMax Taiyo Private Limited
(d) Fellow subsidiary Companies (All under the common control of AB SKF, SKF Vertevo AB (formerly known as SKF Interim AB))	SKF Gmbh
	SKF Industrie S.P.A.
	SKF Sverige AB
	SKF USA Inc.
	SKF Oesterreich AG
	SKF Metal Stamping S.R.L.
	Kaydon Corporation
	AB SKF
	SKF International AB
	SKF De Mexico S.A. De C.V
	PT SKF INDONESIA
	SKF Vietnam Ltd.
	PT. SKF INDUSTRIAL INDONESIA (esrtwhile PT SKF INDONESIA)
	SKF (Shanghai) Automotive Technologies Co Ltd
	SKF Australia Pty Ltd.
	SKF Sealing Solutions Austria Gmbh
	SKF Forvaltning AB
	SKF Engineering And Lubrication India Private Ltd
	SKF India (Industrial) Limited (w.e.f. October 01, 2025)
	SKF Japan Ltd.
	PSC SKF Ukraine
	SKF Recondoil AB
	SKF Espanola S.A., Int. Mark.
	SKF Seals Italy S.P.A
	SKF Bearings Bulgaria EAD
	SKF Taiwan Co. Ltd.
	SKF Korea Ltd.
	SKF Argentina S.A.
	SKF (Xinchang) Bearings And Precision Technologies Co Ltd

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	
	SKF Automotive Germany GmbH (erstwhile SKF Interim Germany GmbH)
	SKF Automotive Italy S.R.L.
	SKF Automotive Usa, Inc.
	SKF Interim France S.A
	SKF Interim China Holdco (erstwhile. SKF Automotive (Shanghai) Co.)
	SKF Interim China ATC A
	Ningbo General Bearing Ltd
	Oy SKF AB
	SKF France S.A.S
	Tenute S.R.L
	SKF International AB EDC
	SKF Sealing Solutions S.A. De C.V
	SKF Del Peru S.A.
	SKF Do Brasil Ltda
	Peer Bearing Company, Changshan (Cpz1)
	SKF Asia Pacific Pte Ltd
	SKF (Thailand) Ltd.
	SKF Bearing Industries (Malaysia) Sdn Bhd
	SKF Malaysia Sdn Bhd
	Beijing Nankou SKF Railway Bearings Co Ltd
	SKF Sealing Solutions(Wuhu) Co.,Ltd
	SKF Sealing Solutions Korea Co Ltd
	SKF (Dalian) Bearings And Precision Technologies Co. Ltd.
	SKF (Jinan) Bearings & Precision Technology Co. Ltd
	SKF Distribution (Shanghai) Co Ltd
	SKF Sealing Solutions Gmbh
	Cooper Roller Bearings Company Ltd
	SKF B.V
	SKF Kenya Limited
	SKF Economos India Private Limited
	SKF Automotive Japan Ltd (esrtwhile SKF Interim Japan Ltd.)
	SKF Industrial Brasil Ltda
	SKF Automotive Belgium Iii Nv
	SKF Mekan AB
	SKF Eurotrade AB
	SKF Belgium NV SA

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	
	SKF Cz A.S.
	SKF Canada Ltd
	SKF Latin Trade S.A.S.
	SKF Turk Sanayi Ve Ticaret Limited Sirketi
	SKF Philippines Inc.
	SKF (China) Sales Co Ltd
	SKF South Africa (Pty) Ltd.
	SKF Mfr Technology AB
	Vesta Si Sweden AB
	Lincoln Industrial Corporation
	Alemite LLC
	Stewart Warner Corporation Of Canada
	SKF Lubrication Systems Germany Gmbh
	SKF Marine Gmbh
	SKF Marine Singapore Pte Ltd.
	Kaydon S De R.L. De C.V.
	Aterforsakringsaktiebolaget SKF
	SKF Danmark A/S
	M3M S.A.S
	SKF Aerospace France S.A.S.
	SKF Logistics Services Belgium Nv
	SKF Portugal - Rolamentos Lda.
	Venture Aerobearings LLC.
	BFW Coupling Services Ltd
	SKF Magnetic Bearings
	SKF Uruguay S.A
	SKF Chilena S.A.I.C.
	Pilgrim International Ltd.
	SKF Polska Sp. Z O.O.
	SKF Business Center Sp. Z.O.O.
	SKF Aeroengine France S.A.S
	SKF (Zambia) Ltd.
	SKF Magnetic Mechatronics S.A.S
	SKF Economos Deutschland Gmbh
	SKF Automotive Sweden Ab.
	RKS S.A.S
	SKF Interim Italy(erstwhile. SKF Italy Automotive Sales)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	
(e) Key Management Personnel l (with whom transactions have taken place)	Ms. Anu Wakhlu
	Mr. Gopal Subramanyam
	Ms. Kerstin Enochsson (till 12th January 2026)
	Mr. Karl Robin Joakim Landholm (till 12th January 2026)
	Mr. Mukund Vasudevan (MD till September 2025, Non-executive Non-independant Directors w.e.f. October 01, 2025 till January 12, 2026)
	Mr. Bastian Thomas (w.e.f. January 13, 2026)
	Mr. Antonio Molle (w.e.f. January 13, 2026)
	Mr. Shailesh Kumar Sharma (WTD till September 30, 2025 and MD w.e.f. October 01, 2025)
	Mr. Ashish Saraf (till September 30, 2025)
	Ms. Aashi Arora (w.e.f. October 01, 2025)
	Mr. Magnus Lennart Prick (w.e.f. January 13,2026)
	Mr. Ranjan Kumar (till September 30, 2025)
	Ms. Mayuri Kulkarni (w.e.f. October 01, 2025)
(f) Post Employment Benefit Plans	SKF India Limited Provident Fund Scheme
	SKF Bearings India Limited Superannuation Scheme
	SKF Bearings India Limited Bangalore Superannuation Scheme
	SKF Bearings India Limited Employees Gratuity Fund
	SKF Bearings India Limited Bangalore Employees Gratuity Fund

B. Terms and conditions of transactions with related parties:

(i) The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for the loan given in prior years (transferred to SKF India (Industrial) Limited pursuant to the Scheme). For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil).

(ii) Services rendered include renting services, technical, other services, etc.

(iii) Services received include administrative, IT services, royalty, trade-mark, other services etc.

(iv) Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

(v) Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on valuation carried out for the Company as a whole.

(vi) The related party transactions disclosed includes transactions till September 30, 2025 towards discontinued operations.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

C. Related party transactions during the year:

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
A	**Sales and purchases of goods and services**					
(i)	**Purchases of raw materials, components, spares and finished & traded goods**		**12,349.3**		**19,528.5**	
		SKF GMBH		1,789.3		3,714.9
		SKF Engineering and Lubrication India Private Limited		2,581.7		4,388.8
		SKF Sverige AB		903.6		2,128.4
		SKF France S.A.		615.8		1,717.5
		SKF Industrie SPA		480.9		1,172.1
		SKF India (Industrial) Limited		2,394.4		-
		Others		3,583.6		6,406.8
(ii)	**Purchases of property, plant and equipment**		**809.3**		**200.1**	
		SKF Osterreich AG		22.8		53.8
		SKF Engineering and Lubrication India Private Limited		22.9		26.0
		SKF GMBH		9.3		1.0
		SKF Sealing Solutions		-		58.6
		SKF Espanola S.A. Int, Mark		-		42.3
		SKF Bearings Bulgaria EAD		744.0		-
		Others		10.3		18.4
B	**Services received**					
(i)	**Administrative and Service Fees**		**40.5**		**47.6**	
		SKF International AB		10.5		38.4
		AB SKF		18.0		1.8
		SKF GMBH		-		0.5
		SKF USA Inc		4.7		6.7
		Others		7.3		0.2
(ii)	**IT services**		**794.8**		**367.0**	
		AB SKF		794.8		367.0
(iii)	**Interim Transition Service Arranagements expenses (Refer Note 33)**		**562.7**		**-**	
		SKF India (Industrial) Limited		562.7		-
C	**Royalty & Trade mark fees**		**1,102.7**		**1,322.8**	
		AB SKF		890.5		1,322.8
		SKF Vertevo AB (formerly known as SKF Interim AB)		212.2		-
D	**Shared based payment**					
	Shared based payment		9.9		9.9	
		AB SKF		9.9		9.9

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
E	**Purchase of electricity and others**					
(i)	**Power and Fuel**		**154.5**		**148.3**	
		Sunstrength Renewables Private Limited		73.9		67.4
		CleanMax Taiyo Private Limited		80.6		80.9
F	**Sales of goods and services**					
(i)	**Goods and Services**		**6,279.5**		**3,902.3**	
		SKF International AB EDC		362.1		429.2
		SKF GMBH		339.1		667.3
		SKF Do Brazil Ltda		96.9		141.8
		SKF USA Inc		252.7		473.4
		SKF Industrie S.P.A		48.9		96.5
		SKF Asia Pacific Pte Ltd		491.0		814.3
		SKF De Mexico S.A.DE C.V.		263.4		603.1
		SKF (Thailand) Ltd		198.5		220.1
		SKF India (Industrial) Limited		3,401.3		-
		SKF Automotive Germany GmbH		253.0		-
		SKF France S.A.S		161.6		-
		Others		411.0		456.6
(ii)	**Technical and other service income**		**404.3**		**708.3**	
		AB SKF		372.2		457.4
		SKF Engineering and Lubrication India Private Limited		-		117.8
		Others		32.1		133.1
(iii)	**Interim Transition Service Arranagements Income (Refer Note 33)**		**1,117.0**		**-**	
		SKF India (Industrial) Limited		1,117.0		-
G	**Other Income**					
(i)	**Rent Income**		**75.7**		**49.5**	
		SKF Engineering and Lubrication India Private Limited		23.4		49.5
		SKF India (Industrial) Limited		52.3		-
H	**Reimbursements**					
(i)	**Received**		**1,912.6**		**536.0**	
		SKF Engineering and Lubrication India Private Limited		11.8		117.2
		AB SKF		13.9		162.8
		SKF India (Industrial) Limited		1,860.7		-
		Others		26.2		256.0

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
(ii)	**Paid**		**33.5**		**21.4**	
		SKF Engineering and Lubrication India Private Limited		0.4		19.0
		SKF GMBH		3.9		1.5
		SKF Australia PTY Ltd.		0.5		0.8
		AB SKF		24.3		-
		SKF (Dalian) Bearings and Precision Technologies Co. Limited		-		-
		Others		4.4		0.1
I	**Inter Corporate Loan & Interest**					
(i)	**Interest income on loan**		**63.2**		**139.3**	
		SKF Engineering and Lubrication India Private Limited		63.2		139.3
J	**Dividend Paid**		**376.9**		**3,378.9**	
		AB SKF		328.7		2,946.6
		SKF (UK) Ltd.		45.4		406.8
		SKF Forvaltning AB		2.8		25.5
K	**Payment to Key Managerial personnel**		**96.1**		**103.4**	
	(Refer Note B (v))	Short-term employee benefits		81.1		94.9
		Long-term employee benefits		4.5		5.7
		Share based payments		7.0		-
		Reimbursements		3.5		2.8
L	**Payment to Directors**		**5.0**		**8.5**	
		Sitting fees & Commission		5.0		8.5
M	**Investment in equity shares of Subsidiary Company**		**-**		**0.1**	
		SKF India (Industrial) Limited		-		0.1
N	**Post Employment Benefit Plans**					
(i)	**Contributions paid**		**352.7**		**352.0**	
		SKF India Limited Provident Fund Scheme		180.8		237.9
		SKF Bearings India Limited Superannuation Scheme		35.2		42.3
		SKF Bearings India Limited Bangalore Superannuation Scheme		11.3		11.6
		SKF Bearings India Limited Employees Gratuity Fund		98.6		45.2
		SKF Bearings India Limited Bangalore Employees Gratuity Fund		26.8		15.0

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
(ii)	**Reimbursements received for settlements**		**110.4**		**126.5**	
		SKF Bearings India Limited Employees Gratuity Fund		86.6		87.3
		SKF Bearings India Limited Bangalore Employees Gratuity Fund		23.8		39.2

D. Outstanding balances arising from sales / purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Sr. No.	Nature of transaction / relationship	As at March 31, 2026		As at March 31, 2025	
		Amount	Amount	Amount	Amount
1	**Trade receivables**	**3,652.5**		**922.2**	
	SKF India (Industrial) Limited		2,669.1		-
	SKF DE MEXICO S.A.DE C.V.		121.2		-
	SKF International AB		0.8		597.7
	AB SKF		3.7		135.2
	Others		857.7		189.3
2	**Trade payables**	**3,729.0**		**4,787.8**	
	SKF India (Industrial) Limited*		3,092.5		-
	SKF International AB		-		2,632.2
	SKF Engineering and Lubrication India Private Limited		89.4		952.0
	AB SKF		60.8		320.9
	Others		486.3		882.7
3	**Other Financial Assets**	**75.9**		**-**	
	SKF India (Industrial) Limited		75.9		-
4	**Loans**	**-**		**1,576.0**	
	SKF Engineering and Lubrication India Private Limited		-		1,576.0
5	**Other liabilities**	**-**		**120.8**	
	SKF Do Brasil Ltda		-		120.8
6	**Post Employment Benefit Plans**				
	Other Payable	**179.9**		**274.1**	
	SKF Bearings India Limited Employees Gratuity Fund		73.0		61.6
	SKF Bearings India Limited Employees Provident Fund		60.5		151.7
	SKF Bearings India Limited Superannuation Scheme		46.4		60.8
7	**Director's commission**	**3.3**		**6.7**	
			3.3		6.7

**Includes amount payable for Interim Transition Service Arrangement aggregating to 1,118.7 MINR*

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

41 Employee benefits

A Post employment benefit plans

I. Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions in case of employees not covered under SKF Bearings India Limited, Provident Fund Scheme. The contributions are charged to the profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Superannuation fund is as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Employee Provident Fund - Regional Provident Fund Contribution	113.8	59.4
Superannuation fund	46.5	61.2
TOTAL	**160.3**	**120.6**

II. Defined Benefit plans

i) Gratuity

The Company operates a post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive between 15 days to one month's salary for each year of completed service at the time of retirement / exit.

The following table summarises the position of assets and obligation.

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 01, 2024	**1,207.5**	**1,108.3**	**99.2**
Current service cost	43.4	-	43.4
Interest cost / income	77.1	72.8	4.3
Total amount recognised in profit & loss	120.5	72.8	47.7
Remeasurements			
Return on plan assets less interest on plan assets	-	34.8	(34.8)
Changes in demographic assumptions	-	-	-
(Gain) / loss from change in financial assumptions	26.6	-	26.6
Experience (gains) / losses	(17.1)	-	(17.1)
Total amount recognised in other comprehensive income	9.5	34.8	(25.3)
Employer contributions	-	60.2	(60.2)
Benefit payments	(126.5)	(126.5)	-
Closing balance as on March 31, 2025	**1,211.1**	**1,149.6**	**61.5**
Opening balance as on April 01, 2025	**1,211.1**	**1,149.6**	**61.5**
Current service cost	21.5	-	21.5
Past Service Cost	22.7	-	22.7
Interest cost / income	48.5	45.7	2.8
Total amount recognised in profit & loss	**92.7**	**45.7**	**47.0**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Remeasurements			
Return on plan assets less interest on plan assets	-	48.9	(48.9)
Changes in demographic assumptions	-	-	-
(Gain) / loss from change in financial assumptions	(5.3)	-	(5.3)
Experience (gains) / losses	166.2	-	166.2
Total amount recognised in other comprehensive income	160.9	48.9	112.0
Employer contributions	-	125.3	(125.3)
Benefit payments	(183.2)	(183.2)	-
Asset acquired / (Settled)	-	(404.2)	404.2
Liabilities assumed /(settled)*	(426.3)	-	(426.3)
Closing balance as on March 31, 2026	**855.2**	**782.1**	**73.0**

** These balances pertains to employees of SKF India (Industrial) Limited to the New Gratuity Trust formed and awaiting approval from the statutory authorities.*

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of funded obligations	855.2	1,211.1
Fair value of plan assets	782.1	1,149.6
Deficit / (Surplus) of funded plan	73.1	61.5

Principal actuarial assumptions used as at the reporting date:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	6.9%	6.8%
Salary growth rate		
for Management employees	10.0%	10.0%
for Non-Management employees	7.0%	7.0%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.0%	30.0%
Age From 31 to 40 years	18.0%	18.0%
Age From 41 to 50 years	11.0%	11.0%
Age From 51 to 59 years	16.0%	16.0%
for Non-Management employees		
Age From 21 to 30 years	1.0%	1.0%
Age From 31 to 40 years	2.0%	2.0%
Age From 41 to 50 years	0.0%	0.0%
Age From 51 to 59 years	9.0%	9.0%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner.

Expected contribution to post employment benefit plans for the FY 2025-26 is INR 50 Million (FY 2024-25 INR 80 Million).

ii) Provident Fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. The actuary has provided a valuation and based on the below provided assumptions, there is no shortfall during the current financial year.

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 01, 2024	**2,372.3**	**2,435.0**	**(62.7)**
Current service cost	80.1	-	80.1
Interest cost / income	170.8	175.3	(4.5)
Total amount recognised in profit & loss	**250.9**	**175.3**	**75.6**
Remeasurements			
Return on plan assets less interest on plan assets	-	(277.5)	277.5
(Gain) / loss from change in financial assumptions	27.3	-	27.3
Experience (gains) / losses	27.1	132.4	(105.3)
Total amount recognised in other comprehensive income	**54.4**	**(145.1)**	**199.5**
Employer contributions	-	80.1	(80.1)
Employee contributions	158.6	158.6	-
Assets Distributed on Settlements / acquired on acquisition	(14.0)	(14.0)	-
Benefit payments	(259.3)	(259.3)	-
Closing balance as on March 31, 2025	**2,562.9**	**2,430.6**	**132.3**

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 01, 2025	**2,562.9**	**2,430.6**	**132.3**
Current service cost	35.8	-	35.8
Interest cost / income	89.4	84.4	5.0
Total amount recognised in profit & loss	**125.2**	**84.4**	**40.8**
Remeasurements			
Return on plan assets less interest on plan assets	-	116.6	(116.6)
(Gain) / loss from change in financial assumptions	-	41.2	(41.2)
Experience (gains) / losses	120.7	-	120.7
Total amount recognised in other comprehensive income	**120.7**	**157.8**	**(37.1)**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Employer contributions	-	35.8	(35.8)
Employee contributions	73.3	73.3	-
Assets Distributed on Settlements / acquired on acquisition	(1,146.7)	(1,087.7)	(59.0)
Benefit payments	(297.6)	(297.6)	-
Closing balance as on March 31, 2026	**1,437.8**	**1,396.6**	**41.2**

The fair value of plan assets is INR 1,396.6 Million (March 31, 2025 INR 2,430.6 Million) and recognized an obligation INR 1,437.8 Million (March 31, 2025 INR 2,562.9 Million).

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of funded obligations	1,437.8	2,562.9
Fair value of plan assets	1,396.6	2,430.6
Deficit of funded plan	41.2	132.3

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	6.9%	6.8%
Expected rate of return on plan assets	12.3%	10.0%
Discount rate for the remaining term to maturity of the investment	6.6%	6.7%
Average historic yield on the investment	12.0%	9.9%
Guaranteed rate of return	8.3%	8.3%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.0%	30.0%
Age From 31 to 40 years	18.0%	18.0%
Age From 41 to 50 years	11.0%	11.0%
Age From 51 to 59 years	16.0%	16.0%
for Non-Management employees		
Age From 21 to 30 years	1.0%	1.0%
Age From 31 to 40 years	2.0%	2.0%
Age From 41 to 50 years	0.0%	0.0%
Age From 51 to 59 years	9.0%	9.0%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

III Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption			Impact on defined benefit obligation				
				Increase in Valuation			Decrease in Valuation	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount rate - Gratuity	0.50%	0.50%	Decrease by	837.2	28.0	Increase by	872.1	26.6
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	871.1	27.5	Decrease by	837.9	26.4
RPFC guaranteed rate	1.00%	1.00%	Increase by	-	12.6	Decrease by	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

IV (a) The major categories of plans assets for Gratuity are as follows:

Particulars	March 31, 2026				March 31, 2025			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Debt instruments		4.6	4.6	1%	7.6	-	7.6	1%
Government of India securities	131.9	-	131.9	17%	136.4	-	136.4	12%
Sub Total	**131.9**	**4.6**	**136.5**		**144.0**	**-**	**144.0**	
Insurer Fund	-	1,059.9	1,059.9	135%	-	994.4	994.4	86%
Others *	-	(414.1)	(414.1)	(53%)	-	11.2	11.2	1%
Total	**131.9**	**650.4**	**782.3**	**100%**	**144.0**	**1,005.6**	**1,149.6**	**100%**

** These balances pertains to employees of SKF India (Industrial) Limited to the New Gratuity Trust formed and awaiting approval from the statutory authorities.*

(b) The major categories of plans assets for Provident Fund are as follows:

Particulars	March 31, 2026				March 31, 2025			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Equity instruments	321.3	-	321.3	23%	296.7	-	296.7	12%
Debt instruments								
Corporate bonds	-	-	-	0%	228.2	-	228.2	9%
Government of India securities	800.6	-	800.6	57%	1,153.1	-	1,153.1	47%
Sub Total	**800.6**	**-**	**800.6**		**1,381.3**	**-**	**1,381.3**	
Others	327.4	(52.7)	274.7	20%	-	752.7	752.7	31%
Total	**1,449.3**	**(52.7)**	**1,396.6**	**100%**	**1,678.0**	**752.7**	**2,430.7**	**100%**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The weighted average duration of the defined benefit obligation is 4.09 years (March 31, 2025 – 4.51 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2026					
Defined benefit obligation	231.5	170.8	364.5	457.8	1,224.6
March 31, 2025					
Defined benefit obligation	293.1	400.1	450.7	633.4	1,777.4

42 Fair Value Measurement

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31

Particulars	March 31, 2026		March 31, 2025	
	Amortised Cost	Carrying Amount	Amortised Cost	Carrying Amount
Financial assets				
Investment	90.1	90.1	90.2	90.2
Trade receivables	7,167.7	7,167.7	8,485.8	8,485.8
Cash and bank balances	2,999.0	2,999.0	7,188.2	7,188.2
Loans	-	-	1,609.3	1,609.3
Other Financial assets	184.4	184.4	377.3	377.3
Total Financial Assets	**10,441.2**	**10,441.2**	**17,750.8**	**17,750.8**
Financial Liabilities				
Trade Payables	5,480.8	5,480.8	6,629.7	6,629.7
Other Financial Liabilities	619.0	619.0	1,748.4	1,748.4
Lease Liabilities	29.1	29.1	69.2	69.2
Total Financial Liabilities	**6,128.9**	**6,128.9**	**8,447.3**	**8,447.3**

Notes:

(i) The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

(ii) There are no financial instruments measured under the category of Fair value through Profit and Loss account and Fair value through Other Comprehensive Income.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2026

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Investment	-	-	90.1	90.1
Trade receivables	-	-	7,167.7	7,167.7
Cash and bank balances	-	-	2,999.0	2,999.0
Loans	-	-	-	-
Other Financial assets	-	-	184.4	184.4
Total Financial assets	**-**	**-**	**10,441.2**	**10,441.2**
Financial Liabilities				
Trade Payables	-	-	5,480.8	5,480.8
Other Financial Liabilities	-	-	619.0	619.0
Lease Liabilities	-	-	29.1	29.1
Total Financial liabilities	**-**	**-**	**6,128.9**	**6,128.9**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2025

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Investment	-	-	90.2	90.2
Trade receivables	-	-	8,485.8	8,485.8
Cash and bank balances	-	-	7,188.2	7,188.2
Loans	-	-	1,609.3	1,609.3
Other Financial assets	-	-	377.3	377.3
Total Financial assets	**-**	**-**	**17,750.8**	**17,750.8**
Trade Payables	-	-	6,629.7	6,629.7
Other Financial Liabilities	-	-	1,748.4	1,748.4
Lease Liabilities	-	-	69.2	69.2
Total Financial liabilities	**-**	**-**	**8,447.3**	**8,447.3**

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Valuation processes

The Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

43 Financial Risk Management

Risk management framework

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the Board of Directors.

The Risk Management framework aims to create a stable business planning environment by reducing the impact of market related risks, credit risks & currency fluctuations on the Company's earnings.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

43 (A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

i) Foreign Currency risk

The Company transacts internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and SEK. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company has both import and export transactions in foreign currency. The imports are higher than the exports and hence the Company has foreign currency exposure to the extent of purchases being higher than exports, but any material variation in currency is recovered from the customers, through on going negotiation process. Thus the risk for currency fluctuation is mitigated.

The Company's exposure to foreign currency risk at the end of the reporting period are as under:

Particulars	Amount in respective foreign currencies (in Million)		Exchange Rates		Amount (INR in Million)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(A) Financial Assets						
Trade Receivables						
EURO	2.0	1.0	107.8	92.6	219.8	90.3
USD	1.9	1.4	94.0	85.5	180.7	119.0
SEK	8.3	13.5	9.8	8.6	81.2	116.4
SGD	-	3.5	72.9	63.7	-	222.9

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	Amount in respective foreign currencies (in Million)		Exchange Rates		Amount (INR in Million)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
CNY	0.8	2.0	13.6	11.8	11.4	23.9
AUD	0.2	0.3	64.6	53.6	13.5	16.2
THB	21.4	16.8	2.9	2.5	61.1	41.9
CAD*	0.0	0.0	67.5	59.6	0.1	0.1
JPY	0.2	-	0.6	-	0.1	-
	34.8	**38.5**			**567.9**	**630.7**
Bank balance in EEFC						
EURO	0.4	3.0	107.8	92.6	40.2	273.2
USD	0.1	0.0	94.0	85.5	5.2	0.5
	0.5	**3.0**			**45.4**	**273.7**
SUB-TOTAL (A)	**35.3**	**41.5**			**613.3**	**904.4**
(B) Financial Liabilities						
Trade Payables						
EURO	4.6	30.3	107.8	92.6	499.3	2,802.8
USD	2.8	6.2	94.0	85.5	267.1	528.5
SEK*	0.0	0.0	9.8	8.6	0.3	0.3
GBP*	0.0	0.0	124.1	110.8	0.3	0.7
YEN	-	2.9	-	0.6	-	1.8
CHF*	1.0	0.0	117.5	97.0	74.9	0.1
SGD	0.0	0.5	72.9	63.7	1.1	32.8
ZAR	0.4	-	5.5	-	2.4	-
JPY	14.7	-	0.6	-	8.7	-
SUB-TOTAL (B)	**23.5**	**39.9**			**854.1**	**3,367.0**
NET-TOTAL	**11.8**	**1.6**			**(240.8)**	**(2,462.6)**

** The amount represents less than one Million*

ii) Sensitivity to foreign currency risk

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit after Tax	
	March 31, 2026	March 31, 2025
EURO		
Increase by 5 %	(14.0)	(135.6)
Decrease by 5 %	14.0	135.6
USD		
Increase by 5 %	(4.3)	(20.5)
Decrease by 5 %	4.3	20.5
SEK		
Increase by 5 %	4.0	5.8
Decrease by 5 %	(4.0)	(5.8)

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Particulars	Impact on Profit after Tax	
	March 31, 2026	March 31, 2025
SGD		
Increase by 5 %	(0.1)	9.5
Decrease by 5 %	0.1	(9.5)
THB		
Increase by 5 %	3.1	2.1
Decrease by 5 %	(3.1)	(2.1)
JPY		
Increase by 5 %	(0.4)	-
Decrease by 5 %	0.4	-

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company has unsecured sanctioned credit facilities comprising of working capital loan which carries fixed rate of interest and which do not expose it to interest rate risk. The borrowings also includes cash credit facilities which carries variable rate of interest.

The Company's has very limited exposure to borrowings.

The loan to related party is carried at amortised cost. The Company recovers interest as per the terms of the agreement. The interest rate approximates the market rate of interest and hence the interest risk for loan given to related party is not considered to be substantial.

43 (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to pay out obligations. Due to the dynamic nature of the underlying businesses, Company ensures availability of funds by managing the investments.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this. The Company invests its surplus funds in bank fixed deposit and in quoted government debt securities.

The table below provides details regarding the contractual maturities of significant financial liabilities on undiscounted basis:

Particulars	Carrying Amount	0-1 years	1 -2 years	2-5 years	5 years & above
As at March 31, 2026					
Lease Liabilities	29.1	4.8	-	24.3	-
TOTAL	**29.1**	**4.8**	**-**	**24.3**	**-**
As at March 31, 2025					
Lease Liabilities	69.2	63.4	-	5.8	-
TOTAL	**69.2**	**63.4**	**-**	**5.8**	**-**

All the financial liabilities are due within 12 months. The carrying value of all the financial liabilities as on respective dates is considered as its maturity value since the impact of discounting is not significant.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

43 (C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Credit risk management

For banks and financial institutions, only high rated banks / institutions are accepted.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

The definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. All receivables past due are analysed and based on scrutiny provisions for Bad Debts are made on specific identification basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk, being the total of the carrying amount of balances with bank, short term deposits with banks, trade receivables and other financial assets is disclosed at the end of the each reporting period. Refer relevant notes for details.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications at the end of each reporting period, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost other than trade receivables. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

The ageing of trade receivable as on standalone balance sheet date is given below. The age analysis has been considered from the date when the invoices were due for payment.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due (Including unbilled)	4,760.5	-	4,760.5	7,296.4	-	7,296.4
Overdue up to 3 months	2,353.9	-	2,353.9	1,189.4	-	1,189.4
Overdue 3-6 months	34.6	(29.5)	5.1	31.9	(31.9)	-
Overdue more than 6 months	108.9	(60.7)	48.2	229.8	(229.8)	-
	7,257.9	**(90.2)**	**7,167.7**	**8,747.5**	**(261.7)**	**8,485.8**

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables:

Particulars	March 31, 2026	March 31, 2025
At the beginning of the year	261.7	224.6
Loss allowance created during the year	78.4	37.1
Transfer under the scheme of arrangement (Refer note 39)	(180.8)	-
Loss allowance reversed during the year	(69.1)	-
At the end of the year	**90.2**	**261.7**

44 Capital Management

(a) Risk management

The company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings.

(b) Risk exposure

Through its defined benefit plans, the company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

Within this framework, the company's ALM objective is to match assets to the gratuity obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

45 Share based payments

SKF's Performance Share Programme

Aktiebolaget SKF (AB SKF), Sweden the ultimate holding company, as part of its Performance Share Program (PSP) offers stock awards to selected employees of its subsidiaries.

The shares of AB SKF, Sweden are listed with Nasdaq Stockholm Stock Exchange, Sweden. The awards issued are vested for a period of 3 years from the date of grant depending on the performance conditions. The terms and other conditions applicable to each award granted under the PSP are generally determined by the Group Management of AB SKF. The programme covers senior managers and key employees in the SKF Group, including Group Management, with the opportunity of being allotted, free of charge, SKF shares of series B. Under the programme, no more than 1,000,000 SKF shares of series B, may be allotted. Fulfilment % is decided by the Group Management based on the performance conditions met. The number of shares definitively vested will be calculated according to the fulfilment %.

The Annual General Meeting 2025 decided on SKF's Performance Share Programme 2025. The programme covers senior managers and key employees in the SKF Group, including Group Management, with an opportunity of being allotted, free of charge, SKF's B shares. Under the programme, not more than 1,000,000 SKF's B shares may be allotted. The allotment of shares shall be related to the level of achievement of the total value added (TVA) target, as defined by the Board of Directors, and the SKF Group's CDP Climate Change score. The TVA performance measure is weighted 80% and the CDP Climate Change score performance measure is weighted 20%. The performance period is three years. Over the three-year programme period, the TVA performance target range is set annually by the Board against the baseline of the actual TVA achieved in the previous year. In order for allocation of shares to take place the average TVA development must exceed a certain minimum level (the threshold level). In addition to the threshold level, a target level is set. Maximum allotment is awarded if the target level is reached or exceeded.

10% of the maximum allocation is based on the reduction of CO^2e emissions. After the expiry of the financial year 2025, a comparison will be made of the level of CO^2e emissions reduction achieved during the programme period and the net zero 2030 objective trajectory. If the trajectory reduction level is met or exceeded full allotment is awarded, i.e. 10% of the total maximum allotment under the programme. If the reduction does not meet the trajectory level, no allotment is awarded in relation to this part of the programme.

The CDP Climate Change score is based on an extensive questionnaire requiring disclosure and performance in the 11 different categories.

- Performance Categories
- Business strategy, financial planning & scenario analysis
- Emissions reduction initiatives
- Energy
- Governance
- Opportunity disclosure
- Risk disclosure
- Risk management processes
- Scope 1 & 2 emissions
- Scope 3 emissions
- Targets
- Value chain engagement

This comprehensive assessment and the resulting score are known across the investor and customer communities as a credible third-party view on companies' approaches to climate change.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

The score ranges from A (leadership level) to D- (disclosure level). SKF received an A- score in 2025.

This is higher than the latest available average scores for Europe (B) and the metal product manufacturing sector (C). The overall performance achievement for the CDP Climate Change score is the weighted average of the annual performance achievement, based on the criteria in the table. For example, if SKF's CDP score is B in year 1, A- in year 2 and A in year 3, the overall performance achievement for the full programme period is 75% ((50%+75%+100%) / 3).

CDP Climate Change score	Performance achievement
A	100%
A-	75%
B	50%
<B	0%

The CDP Climate Change score performance measure has a number of advantages:

- It covers all aspects of SKF's climate change approach.
- All functions in SKF have the potential to contribute to the achievement.
- The score is set by an external party and the bar is raised every year, reflecting increasing stakeholder expectations. Performance achievement will require continuous improvements.
- A well-recognized way of scoring how successful SKF is in the climate improvement work and is easy to compare with other companies using CDP-scoring.

Provided that the TVA increase reaches the target level and that the Net Zero 2030 objective is met, the participants of the programme may be allotted the following maximum number of shares per person within the various key groups:

- CEO and President: shares corresponding to a value of 75% of the fixed base salary
- Other members of Group Management: shares corresponding to 55% of the fixed base salary or 13,000 shares, whichever is higher
- Managers of large business units and similar: 4,500 shares
- Other senior managers: 3,000 shares
- Other key persons: 1,250 shares

The share-based compensation programmes of the Group are mainly equity-settled through the SKF Group's Performance Share programmes.

The fair value of the SKF's B share at grant date is calculated as the market value of the share excluding the present value of expected dividend payments for the next three years. Allotment of shares under SKF's Performance Share Programme requires that the persons covered by each of the programmes are employed in the SKF Group during the entire three year calculation period.

A. The inputs used in the measurement of the fair values at grant date of the stock awards were as follows:

Grant Date	30-Apr-23	30-Apr-24	30-Apr-25
Exercise Price (SEK)	-	-	-
Exercise Price in equivalent INR*	-	-	-
Expected Volatility	2.17%	0.19%	0.60%
	3.7%	3.2%	3.2%
Expected Life	NA	NA	NA
Risk Free Interest Rate	2.6%	2.1%	2.2%
Fair Value per share (SEK)	183.0	230.0	189.6
Fair Value per share in equivalent INR*	1,426.3	1,967.5	1,865.6
Awards Exercisable at the end of the year	12,538.2	6,128.2	4,621.2

** Converted into INR using exchange rate 8.55*

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

B. The following share based payment arrangements were in existence during the current and previous year:

Award Series / Stock Awards	Number	Grant Date	Expiry Date / Year	Fair Value at grant date (SEK)	Equivalent Fair Value INR*
PSP2023	10,250	30-Apr-23	2026	183.0	1,426.3
PSP2024	11,500	30-Apr-24	2027	230.0	1,967.5
PSP2025	5,750	30-Apr-25	2028	189.6	1,865.6

** Converted into INR using exchange rate 8.55*

C. Movement in stock awards during the year

Particulars	Employee Stock Award Plan			
	March 31, 2026		March 31, 2025	
	No. of Awards	Weighted Average Exercise Price	No. of Awards	Weighted Average Exercise Price
Balance at the beginning of year	28,813	NA	23,632	NA
Transfer on account of scheme of demerger	(14,416)		-	
Granted during the year	17,250		78,980	
Adjustment during the year*	(16,775)		(63,299)	
Forfeited during the year	-		-	
Exercised during the year	(10,250)		(10,500)	
Expired during the year	-		-	
Balance at end of year	4,622		28,813	

**Represents adjustments made by AB SKF, the erstwhile ultimate holding company, pursuant to realignment of employees' entitlement in accordance with the fulfilment %.*

Since the plan is administered and controlled by the Holding Company, the above information is presented only to the extent available with the Company.

46 Financial Ratios

Ratio	Numerator	Denominator	Current year	Previous year	Variance %	Remarks for variance more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	2.1	2.8	(27.0%)	Not Applicable*
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.0	0.0	(17.8%)	Not Applicable*
Debt service coverage ratio (in times)	Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments	31.5	40.2	(21.8%)	Not Applicable*

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

Ratio	Numerator	Denominator	Current year	Previous year	Variance %	Remarks for variance more than 25%
Return on equity ratio (in %)	Profit for the year	Average total equity ((Opening + Closing)/2)	6.0%	10.0%	(40.1%)	Not Applicable*
Inventory turnover ratio	Cost of goods sold	Average Inventory ((Opening + Closing)/2)	1.9	1.1	78.1%	Not Applicable*
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables ((Opening + Closing)/2)	2.7	2.3	18.0%	Not Applicable*
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables ((Opening + Closing)/2)	1.9	1.2	55.5%	Not Applicable*
Net Capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	2.8	1.1	154.5%	Not Applicable*
Net profit ratio (in %)	Profit for the year	Revenue from operations	5.5%	14.3%	(61.4%)	Due to reduction in net profit after tax during the year
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities	19.7%	13.6%	44.4%	Not Applicable*
Return on investment (in %)	Profit before tax and finance costs	Average total assets ((Opening + Closing)/2)	9.3%	9.8%	(5.6%)	Not Applicable*

**As a result of Scheme of Demerger (refer note 39) become effective, the assets and liabilities as presented as at March 31, 2026 reflect the impact of the Scheme and are accordingly not comparable with those as at March 31, 2025. Hence, ratios are not comparable.*

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

47 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Company has no borrowings from banks and financial institutions except for working capital limit sanctioned from banks.

(iii) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013.

(v) Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

During the year, the Company vide its Board meeting held on 26 December 2024, basis the recommendation of Audit Committee and Independent Directors, approved the scheme of arrangements of the Company, SKF India (Industrial) Limited (“SKFIIL”) (a wholly owned subsidiary of the Company, which was incorporated on 17 December 2024) and their respective shareholders and creditors, providing for the demerger of the Company’s Industrial Business to SKFIIL (“Proposed Transaction”) in compliance with sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Pursuant to this, the Company has received ‘no adverse observations’ and ‘no objection’ from BSE Limited and National Stock Exchange of India Limited, respectively. The Proposed Transaction is, inter alia, subject to receipt of requisite approvals from the statutory and regulatory authorities, including the approval from the shareholders and creditors of the Company and Hon’ble National Company Law Tribunal.

As the Demerger has completed in this financial year, the scheme has been given effect to in these financial statements w.e.f. October 01, 2025.

(vii) Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

Notes to the Standalone Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(INR in Million)

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(ix) Details of crypto currency or virtual currency

The company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property Plant and Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year. All immovable property (including leases) are in the name of Company, except as disclosed in note no. 3(a)

48 The Company has facility from banks for

The Company has unsecured sanctioned facility (Fund and non-fund based) amounting to INR 1,729.4 Million (March 31, 2025 - INR 1,729.4 Million) and INR 5 Million (March 31, 2025 - INR 5 Million). The Company has not utilized fund based facility (working capital / working capital demand loan) at any time during the year.

49 The board of directors have proposed dividend after the balance sheet date which are subject to approval by the shareholders at the annual general meeting. Refer note 16.

50 The figures for the previous year have been regrouped / reclassified wherever necessary to confirm to the current year's presentation.

For and on behalf of the Board of Directors of SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Independent Auditor's Report

To The Members of SKF India Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **SKF India Limited** (the "Parent") and its subsidiary, (the Parent and its subsidiary together referred to as the "Group") which includes the Group's share of net loss in its associates, which comprise the Consolidated Balance Sheet as at 31 March 2026 and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor on separate financial statements of the associate referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2026 and their consolidated profit, their consolidated other comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditor in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including annexures to Board's Report, Management's Discussions & Analysis, Report on Corporate Governance and Business Responsibility and Sustainability Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the associate audited by the other auditor, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditor and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the associate, is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intend to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are also responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities or business activities included in the consolidated financial statements of which we are the independent auditors. For the entities or business activities included in the consolidated financial statements, which have been audited by the other auditor, such other auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

- We did not audit the financial information of one subsidiary (from 1 April 2025 to 30 September 2025), whose financial information reflect total assets of Rs. Nil and total revenues of Rs. Nil, total net loss after tax of Rs 1.3 million and net cash flows of Rs. 0.5 million as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss after tax of Rs. 2.1 million for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial information have not been audited by us. These financial information are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and associate, is based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the Management, these financial information are not material to the Group.
- The consolidated financial statements also include the Group's share of net profit of Rs. 0.8 million for the year ended 31 March 2026, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate, and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid associate is based solely on the report of the other auditor.

  Our opinion on the consolidated financial statements above and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the report of other auditor on the separate financial statements of the associate referred to in the Other Matters section above we report, to the extent applicable that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Group and its associates including relevant records so far as it appears from our examination of those books, and the report of the

Independent Auditor's Report (Contd.)

other auditor except (a) for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India and (b) in relation to compliance with the requirements of audit trail for the period from 1 April 2025 to 30 September 2025, refer paragraph (i)(vi) below. (Refer note 48 to the consolidated financial statements)

c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors of the Parent as on 31 March 2026 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary and associate companies incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164 (2) of the Act.

f) The modifications relating to the maintenance of accounts and other matters connected therewith, are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and associate company incorporated in India to whom internal financial controls over financial reporting is applicable. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the auditor's report of associate Company incorporated in India, the remuneration paid by the Parent and associate Company to their respective directors during the year is in accordance with the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

   i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates. (Refer Note 37 to the consolidated financial statements)

   ii) The Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii) There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Parent, and its subsidiary Company and its associate companies, except Rs. 0.02 million which is held in abeyance due to legal cases pending. (Refer Note 20 to the consolidated financial statements)

   iv) (a) The respective Managements of the Parent and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the note 46 to the consolidated financial statements, no funds have been advanced or loaned or invested either from borrowed funds or share premium or any other sources or kind of funds by the Parent or any of such subsidiary and associate to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent or any of such subsidiary ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Parent and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditor of such associate respectively that, to the best of their knowledge and belief, as disclosed in the note 46 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary and associate from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent or any of such subsidiary, shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditor of the associate which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditor to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v) The final dividend proposed in the previous year, declared and paid by the Parent during the year is in accordance with section 123 of the Act, as applicable.

As stated in note 16 to the consolidated financial statements, the Board of Directors of the Parent have proposed final dividend for the year which is subject to the approval of the members of the Parent at the ensuing Annual General Meetings. Such dividend proposed is in accordance with section 123 of the Act, as applicable

vi) Based on our examination which included test checks and that performed by the respective auditor of the associate Company and based on the other auditor's report of its associate Company incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Parent and its associate company have used accounting softwares for maintaining their respective books of account for the year ended 31 March 2026 which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the softwares. Further, during the course of our audit, we and respective other auditor, whose reports have been furnished to us by the Management of the Parent Company, have not come across any instance of the audit trail feature being tampered with in respect of said accounting softwares for the period for which the audit trail feature was enabled and operating.

In respect of a subsidiary, where the accounting software has not been used by the subsidiary for maintaining its books of account for the period from 1 April 2025 to 30 September 2025; accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2024 is not applicable.

In respect of an associate, as reported by the other auditors, the accounting software for maintaining its books of account for the year ended 31 March 2026 which has a feature of recording audit trail (edit log) facility and the audit trail feature at the application level has operated throughout the year for all relevant transactions recorded in the software. However, other auditor is unable to comment on audit trail feature of the said software at the database level to log any direct data changes.

In respect of an associate, where the financial information are unaudited, we are unable to comment on the reporting requirement under Rule 11 (g).

Additionally, the audit trail that was enabled and operated for the year ended 31 March 2026, the audit trail has been preserved by the Parent and associate as per the statutory requirements for record retention.

Independent Auditor's Report (Contd.)

2. With respect to the matters specified in clause (xxi) of paragraph (3) and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditor of respective company included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of that company where audit has been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditor in the CARO report of the said company included in the consolidated financial statements. Further, in respect of the following company included in the consolidated financial statements, whose audit under section 143 of the Act has not yet been completed, the CARO report as applicable in respect of that company is not available and consequently has not been provided to us as on the date of this audit report:

Name of the company	CIN	Nature of relationship
Clean Max Taiyo Private Limited	U40107MH2022PTC389268	Associate

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN:26102637KOMRTA6153

Place: Pune
Date: May 13, 2026

Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph (g) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the “Act”)

In conjunction with our audit of the consolidated financial statements of the Company as at and for the year ended 31 March 2026 we have audited the internal financial controls with reference to consolidated financial statements of **SKF India Limited** (hereinafter referred to as “Parent”) and its subsidiary company, which includes internal financial controls with reference to consolidated financial statements of its subsidiary and associate companies which are companies incorporated in India, as of that date.

Management’s and Board of Directors’ Responsibilities for Internal Financial Controls

The respective Company’s management and Board of Directors of the Parent, its subsidiary company and its associate companies which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent, its subsidiary company and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditor of the associate company, which is incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its associate company, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company’s internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

Annexure "A" to the Independent Auditor's Report (Contd.)

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditor referred to in the Other Matters paragraph below, the Parent, its associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March 2026 based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one associate company, which is incorporated in India, is based solely on the corresponding report of the auditor of such company incorporated in India.
- The internal financial controls with reference to financial information insofar as it relates to one subsidiary company (up to 30 September 2025) and one associate company, which are companies incorporated in India and included in these consolidated financial statements, have not been audited either by us or by other auditors. In our opinion and according to the information and explanations given to us by the Management, such unaudited subsidiary and associate company are not material to the Parent.

Our opinion is not modified in respect of the above matters.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN: 26102637KOMRTA6153

Place: Pune
Date: May 13, 2026

Consolidated Balance Sheet

As at March 31, 2026

(INR in Million)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	4,367.6	5,205.4
Right-of-use assets	3(b)	21.8	51.2
Capital work-in-progress	3(a)	284.1	556.4
Investment properties	4	-	241.1
Other Intangible assets	5	11.8	10.3
Financial assets			
Investments	6	89.7	91.0
Loans	7	-	1,576.0
Other Financial assets	8	73.7	338.7
Deferred tax assets (net)	9	198.8	391.2
Non-current tax asset (net)	10	694.3	416.9
Other non-current assets	11	446.6	1,074.8
Total non-current assets		**6,188.4**	**9,953.0**
Current Assets			
Inventories	12	3,234,4	8,733.3
Financial assets			
Trade receivables	13	7,167.7	8,485.5
Cash and cash equivalents	14	2,922.9	7,107.7
Bank balance other than above	15	76.1	80.6
Loans	7	-	33.3
Other financial assets	8	110.7	38.6
Other current assets	11	1,090.1	1,206.0
Total current assets		**14,601.9**	**25,685.0**
Total Assets		**20,790.3**	**35,638.0**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	494.4	494.4
Other Equity	17	12,799.9	25,485.3
Total Equity		**13,294.3**	**25,979.7**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	24.3	5.8
Provisions	18	387.7	549.4
Total non-current liabilities		**412.0**	**555.2**
Current Liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	4.8	63.4
Trade Payables	19		
Outstanding dues of micro and small enterprises		187.6	505.5
Outstanding dues other than micro and small enterprises		5,293.2	6,124.6
Other Financial liabilities	20	619.0	1,748.3
Provisions	18	414.0	429.6
Current tax liabilities (net)	21	178.2	-
Other current liabilities	22	387.2	231.7
Total current liabilities		**7,084.0**	**9,103.1**
Total Liabilities		**7,496.0**	**9,658.3**
TOTAL EQUITY AND LIABILITIES		**20,790.3**	**35,638.0**
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

The accompanying notes are an integral part of these Consolidated financial statements

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Consolidated Statement of Profit and Loss

For the year ended March 31, 2026

(INR in Million)

	Particulars	Notes	Year Ended March 31, 2026	Year Ended March 31, 2025
1	**Income**			
	Revenue from Operations	23	37,633.9	49,199.2
	Other Income	24	1,061.6	1,014.5
	Total Income		**38,695.5**	**50,213.7**
2	**Expenses**			
	(a) Cost of materials consumed	25	11,227.5	12,472.7
	(b) Purchases of stock-in-trade	26	10,644.9	19,473.7
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	697.0	(1,781.0)
	(d) Employee benefit expense	28	2,829.2	3,597.8
	(e) Finance costs	29	3.5	7.00
	(f) Depreciation and amortisation expense	30	779.8	830.8
	(g) Other expenses	31	7,747.3	7,982.4
	Total Expenses		**33,929.2**	**42,583.4**
3	**Profit before exceptional items and tax (1-2)**		**4,766.3**	**7,630.3**
4	**Exceptional Items**	34	431.2	-
5	**Profit before share of profit/(loss) of equity accounted investees and tax (3-4)**		**4,335.1**	**7,630.3**
6	**Share of profit/(loss) of equity accounted investees (net of income tax)**		**(1.3)**	**1.7**
7	**Profit before Tax (5-6)**		**4,333.8**	**7,632.0**
	Income tax expense			
	Current tax (including tax relating to earlier years)	33	1,765.9	2,028.4
	Deferred tax (credit)		(91.5)	(55.5)
8	**Total tax expense**		**1,674.4**	**1,972.9**
9	**Profit for the year (7-8)**		**2,659.4**	**5,659.1**
10	**Other comprehensive income**			
	Items that will not be reclassified to profit and loss			
	(a) Remeasurement gains/(losses) of net defined benefits obligation	33	(17.9)	(107.1)
	Income tax effect on above		4.6	27.0
11	**Other comprehensive (loss) for the year (net of tax)**		**(13.3)**	**(80.1)**
12	**Total comprehensive income for the year (12+13)**		**2,646.1**	**5,579.0**
	Earnings per equity share (Face value of INR 10 each)	35		
	Earnings per share			
	Basic and Diluted EPS		53.8	114.5

Material accounting policies 1

Significant accounting judgements, estimates and assumptions 2

The accompanying notes are an integral part of these consolidated financial statements

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
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Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Consolidated Statement of Changes in Equity

For the year ended March 31, 2026

(INR in Million)

(A) Equity Share Capital

Particulars	Amount
As at April 1, 2024	**494.4**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	494.4
Changes in equity share capital during the current year	-
Balance as at March 31, 2025	**494.4**
As at April 01, 2025	**494.4**
Changes in equity share capital due to prior period errors	-
Restated balance at the beginning of the current reporting period	494.4
Changes in equity share capital during the current year	-
Balance as at March 31, 2026	**494.4**

(B) Other Equity

Particulars	Retained earnings	Capital redemption reserve	General reserve	Total Other Equity
Balance as at April 1, 2024	**23,461.3**	**32.9**	**2,838,9**	**26,333.1**
Profit for the year	5,659.1	-	-	5,659.1
Other comprehensive income	(80.1)	-	-	(80.1)
Total comprehensive income for the year ended March 31, 2025	5,579.0	-	-	5,579.1
Transactions with owners in their capacity as owners				
Dividend paid (INR 130 per share)	(6,426.9)	-	-	(6,426.9)
Total transactions with owners in their capacity as owners	**(6,426.9)**	**-**	**-**	**(6,426.9)**
Balance as at March 31, 2025	**22,613.4**	**32.9**	**2,838.9**	**25,485.3**
Profit for the year	2,659.4	-	-	2,659.4
Other comprehensive income	(13.3)	-	-	(13.3)
Total comprehensive income for the year ended March 31, 2026	**2,646.1**	**-**	**-**	**2,646.1**
Transactions with owners in their capacity as owners				
Dividend paid (INR 14.5 per share)	(716.9)	-	-	(716.9)
Transfer under the scheme of demerger of Industrial business (Refer Note 38)	**(14,614.9)**	**-**	**-**	**(14,614.9)**
Total transactions with owners in their capacity as owners	**(15,331.8)**	**-**	**-**	**(15,331.8)**
Balance as at March 31, 2026	**9,927.7**	**32.9**	**2,838.9**	**12,799.9**

Material accounting policies 1
Significant accounting judgements, estimates and assumptions 2

The accompanying notes are an integral part of these consolidated financial statement

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Consolidated Cashflow Statement

For the year ended March 31, 2026

(INR in Million)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	4,764.8	7,632.0
Adjusted for :		
Exceptional Items	(431.2)	-
Depreciation and amortisation expenses	779.8	830.8
Provision for bad and doubtful debts	52.1	49.8
Provision for other receivables	-	(6.1)
Gain on sale of Property Plant & Equipment (net)	2.2	(0.4)
Finance costs	3.5	7.0
Interest income		
- Fixed deposits with banks	(339.4)	(589.4)
- On loan given to related party	(63.2)	(139.3)
Share of net profit from associates	1.3	(1.7)
	5.1	150.7
Operating Profit before working capital changes	**4,769.9**	**7,782.7**
Adjusted for :		
(Increase) / Decrease in inventories	192.3	(1,894.5)
(Increase) / Decrease in trade receivables	(4,997.5)	(1,022.1)
(Increase) / Decrease in current & non-current assets	(473.0)	(409.5)
(Decrease) / Increase in trade payables	4,671.3	(500,8)
Increase in other liabilities and provisions	574.9	421.6
	(32.0)	(3,405.3)
B Cash flows generated from operating activities before tax	**4,737.9**	**4,377.4**
Income taxes paid (net of refunds)	(1,109.5)	(2,346.7)
Net cash flows generated from Operating Activities (A)	**3,628.4**	**2,030.7**
C CASH FLOW FROM INVESTING ACTIVITIES		
Payments for Property Plant & Equipment (including Capital Work-in-progress)	(2,291.9)	(1,313.4)
Payments for Investment properties	-	(0.5)
Proceed from sale of Property Plant & Equipment	4.0	6.4
Interest Received	367.6	603.2
Interest received on loan to related party	63.2	139.3
Loan recovered/ (given)	33.3	(33.3)
Investment in deposits	**2.5**	**-**
Net cash outflow from Investing Activities (B)	**(1,821.3)**	**(598.3)**
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(717.0)	(6,427.0)
Repayment of lease liability	(37.6)	(73.1)
Finance cost	**(2.5)**	**-**
Net cash outflow from financing activities (C)	**(757.1)**	**(6,500.1)**
Net changes in Cash and Cash Equivalents (A+B+C)	**1,050.0**	**(5,067.7)**
Cash and cash equivalents at beginning of the year	7,107.7	12,174.6
Transfer under the scheme of arrangement (Refer Note 38)	(5,232.8)	-
Effects of exchange rate changes on cash and cash equivalents	(2.0)	0.8
Cash and Cash Equivalents at the end of the year	**2,922.9**	**7,107.7**

Note:

The above standalone statement of cash flow has been prepared under the "Indirect Method" as set out in Ind AS 7 "Statement of Cash Flows" specified under section 133 of the Companies Act, 2013 (the 'Act').

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

The accompanying notes are an integral part of these Consolidated financial statement

In terms of our report of even date

For DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration Number : 117366W/W-100018)

Kedar Raje
Partner
(Membership No.: 102637)

Place : Pune
Date: May 13, 2026

For and on behalf of the Board of Directors of
SKF INDIA LIMITED

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026

Corporate Information

"SKF India Limited (the 'Group') is a Group, listed in India on recognised stock exchanges, limited by shares, incorporated and domiciled in India. The Group is a leading supplier of products, solutions & services within rolling bearing, seals, mechatronics, and lubrication systems. The Group's manufacturing facilities are located at Pune, Bengaluru & Haridwar.

The Company has received a certified true copy of the Order dated September 26, 2025, from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approving the Scheme of Arrangement ("Scheme") between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). With reference to the Scheme, the Board of Directors of the Demerged and Resulting Company had mutually fixed appointed and effective date as October 01, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on October 1, 2025 ("Effective Date").

The consolidated financial statements for the year ended March 31, 2026 were authorised for issue in accordance with the resolution of the Board of Directors on May 13, 2026.

1 Material Accounting Policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1,1 Basis of Preparation

i) Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act and relevant amendment and rules issued thereafter.

ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

a) certain financial assets and liabilities that are measured at fair value;

b) assets held for sale – measured at fair value less cost to sell;

c) defined benefit plans – plan assets measured at fair value;

1,2 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of segments, has been identified as the Board of Directors.

1,3 Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial statements are presented in Indian Rupee (INR) which is the Group's functional and presentation currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are recognised in profit or loss.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other expenses.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

1,4 Revenue recognition

Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Revenue recognition policy

The Group has following streams of revenue:

(i) Sale of goods

(ii) Sale of Services

If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Group as part of the contract.

The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or

(b) The customer controls the work-in-progress, or

(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

If none of the criteria above are met, the Group recognized revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Contracts are modified to account for changes in contract specifications and requirements. The Group considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

The Company assesses whether it is acting as a principal or an agent in all revenue arrangements. The Company is considered a principal if it controls the specified goods or services before they are transferred to the customer. When acting as a principal, revenue is recognised at the gross amount of consideration.
When the Company acts as an agent, it recognises revenue at the net amount retained, being the commission or fee earned for arranging for the provision of goods or services by another party.

Revenue recognized at a point-in-time :-

For sale of products and sale of services, revenue is recognized at point in time when control of goods is transferred and service is rendered to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

Non-consenting revenue :

In respect of certain customer contracts, where the requisite customer consent for novation to SKF India (Industrial) Limited had not been obtained as at effective date of the scheme, SKF India Limited continues to act as the contracting and billing entity towards such customers.

Pursuant to the arrangement entered into between the companies, SKF India (Industrial) Limited is responsible for the fulfilment of performance obligations and delivery of services under such contracts, while SKF India Limited acts in the capacity of an agent and intermediary for billing and contractual purposes only.

Accordingly, revenue in respect of such non-novated contracts has been recognised in the respective financial statements on a net/pass-through basis, consistent with the principal-agent assessment carried out in accordance with the requirements of Ind AS 115 — Revenue from Contracts with Customers.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

1,5 Income Tax

A. Current Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination or for transactions that give rise to equal taxable and deductible temporary differences) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.
Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current tax and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are assumed to continue to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

1,6 Impairment of assets

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1,7 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

1,8 Trade Receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance.

1,9 Inventories

Raw materials and stores, work in progress, traded and finished goods are stated at the lower of cost and net realisable value. Cost of raw materials and traded goods comprises cost of purchases. Cost of work-in-progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Cost of inventories also include all other costs incurred in bringing the inventories to their present location and condition. Costs are assigned to individual items of inventory on the basis of first-in first-out basis. Costs of purchased inventory are determined after deducting rebates and discounts. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

1,10 Financial assets and financial liabilities

Financial assets and financial liabilities are recognized in the balance sheets when the Group becomes a party to the contractual provisions of a financial instrument. Financial instruments are initially recorded at fair value, which is normally equal to transaction price. Transaction costs are included in the initial measurement of financial assets and liabilities that are not subsequently measured at fair value through the income statement.

Financial assets categorized as loans and receivables are measured at amortized cost using the effective interest method. Impairment losses (primarily allowance for doubtful accounts) are recognized if management believes that sufficient objective evidence exists indicating that the asset may not be recovered. For disclosure purposes, fair values have been calculated using valuation techniques, mainly discounted cash flow analyses based on observable market data. For current receivables and liabilities (such as trade receivables and payables) the carrying amount is considered to correspond to fair value.

Where discounted cash flow techniques are used, the future cash flows are determined (if not stated explicit in the contract) based on the best assessment by management and discounted using the market interest rate for similar instruments. Financial liabilities are measured at amortized cost using the effective interest method.

Financial assets are derecognized when the contractual rights to the cash flow have expired or been transferred together with substantially all risks and rewards. Financial liabilities are derecognized when they are extinguished.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Investment in government securities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. When calculating the effective interest rate, the Group estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment extension, call and similar options) but does not consider the expected credit losses.

1,11 Property, plant and equipment (PPE), Investment Properties and Intangible assets

A. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation is calculated using the straight-line method to allocate the cost of the assets, net of their residual values, over the estimated useful lives. The useful lives are:

Particulars	Useful Life (in years)
Buildings	33
Plant and equipments	5/10/14/16/20
Furniture and fixtures	4
Office equipments	3/4
Vehicles	5

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

The useful lives have been determined based on technical evaluation done by the management's expert which are higher than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not more than 5% of the original cost of the asset.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

B. Investment Properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 33 years. The useful life has been determined based on technical evaluation performed by the management's expert.

C. Intangible assets

Intangible assets are stated at initial cost less any accumulated amortization and any impairment. Amortization is made on a straight line basis over the estimated useful lives and begins once the asset is ready for its intended use. The useful lives are based to a large extent on historical experience, the expected application, as well as other individual characteristics of the asset. The useful lives are:

- Software in use - 3 years

1.12 Leases

A) As a lessee

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by 'SKF India Limited, which does not have recent third party financing, and
- makes adjustments specific to the lease, e.g. term, country, currency and security.

If a readily observable amortising loan rate is available to the individual lessee (through recent financing or market data) which has a similar payment profile to the lease, then the Group use that rate as a starting point to determine the incremental borrowing rate.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Variable lease payments that depend on sales are recognised in profit or loss in the period in which the condition that triggers those payments occurs.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability.
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and all leases of low-value assets are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

B) As a lessor

Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

1.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are paid as per the terms of payments. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

1.15 Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

1.16 Post employment benefits

A. Employee benefits

i) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long-term employee benefit obligations

The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligations

The Group operates the following post-employment schemes:

a) defined benefit plans such as gratuity and provident fund (for employees who are members of SKF India Limited Provident Fund Scheme)

b) defined contribution plans such as superannuation and provident fund (for other employees who are not members of SKF India Limited Provident Fund Scheme)

B. Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of gratuity and provident fund is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

With respect to employees who are members of SKF India Limited Provident Fund Scheme ('the Trust') contribution for provident fund to the

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Trust is a defined benefit plan as the Group has an obligation to make good the shortfall, if any, between the return from investments made by the Trust and notified interest rate. Both the employee and the Group make monthly contributions to the provident fund plan equal to a specified percentage of the employee's salary. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

C. Defined contribution plans

Contributions to the Provident Fund and Superannuation Fund which are defined contribution schemes, are recognised as an expense in the Statement of Profit and Loss in the period in which the contribution is due. For employees other than members of SKF India Limited Provident Fund Scheme, both the Group's and employees' contribution is paid to Regional Provident Fund Commissioner (RPFC) on a monthly basis. The Group has no further payment obligations once the contributions have been paid.

iv) Bonus Plans

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

v) Employee Stock Awards:

Certain employees of the Group receive remuneration in the form of equity settled instruments given by the ultimate holding Group (AB SKF), for rendering services over a defined vesting period. Equity instruments granted are measured by reference to the fair value of the instrument at the date of grant. The expense is recognized in the statement of profit and loss with a corresponding increase to the share based payment reserve, as a component of equity. The fair value determined at the grant date is expensed over the vesting period of the respective tranches of such grants. The stock compensation expense is determined based on the Group's estimate of equity instruments that will eventually vest.

vi) Termination benefits

Voluntary Retirement Scheme costs are charged off to the Statement of Profit and Loss in the year in which they are incurred.

1.17 Contributed Equity

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

1.18 Earnings per share

The basic earnings per share is computed by dividing the net profit attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and equivalent diluted equity shares outstanding during the year, except where the result would be anti dilutive.

1.19 Contingent liabilities

A contingent liability is disclosed in respect of a possible obligation that arise from past events whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or from a present obligation that arises from past events which are not recognised because:

a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

b) the amount of the obligation cannot be measured with sufficient reliability

1.20 Non-current Assets held for sale

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of carrying amount and fair value less costs to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset (or disposal group) is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving loss of control of a subsidiary, all of the assets and liabilities of that subsidiary are classified as held for sale when the criteria described above are met, regardless of whether the Group will retain a non-controlling interest in its former subsidiary after the sale.

When the Group is committed to a sale plan involving disposal of an investment in an associate or, a portion of an investment in an associate, the investment, or the portion of the investment in the associate, that will be disposed of is classified as held for sale when the criteria described above are met. The Group then ceases to apply the equity method in relation to the portion that is classified as held for sale. Any retained portion of an investment in an associate that has not been classified as held for sale continues to be accounted for using the equity method.

1.21 Exceptional Items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items is disclosed separately as Exceptional Items.

1.22 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2 Significant accounting judgements,estimates and assumption

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Group and that are believed to be reasonable under the circumstances.

2(A) Significant Judgement

a) Tax Contingencies

The Group has received orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Group or the disclosure of any such suit or assertions, does not automatically indicate that a provision for a loss may be appropriate.

2(B) Significant estimate

a) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates and timing of the cash flows. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b) Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 42 for further disclosures.

c) Defined benefit plan

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 40.

d) Fair Valuation of Investment Property

The Group obtains independent valuations for its investment properties at least annually. The Valuation is performed using Income approach-Rent capitalisation method as per Ind AS 113- Fair value measurement.

2(C) Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has notified the following amendments:

In the current year, the Group has applied the below amendments to the Ind ASs that are effective for an annual period that begins on or after 1 April 2025.

(i) Amendments to Ind AS 21 The Effect of Changes in Foreign Exchange Rates titled Lack of Exchangeability -

The amendments specify how to assess whether a currency is exchangeable, and how to determine the exchange rate when it is not. The adoption of this amendment did not have any material impact on the disclosures or on the amounts reported in these consolidated financial statements.

(ii) Amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements -

The Group has adopted the amendments to Ind AS 7 Statement of Cash Flows and Ind AS 107 Financial Instruments: Disclosures titled Supplier Finance Arrangements for the first time in the current year.

The amendments add a disclosure objective to Ind AS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, Ind AS 107 is amended to add supplier finance arrangements as an example within the requirements to The amendments add a disclosure objective to Ind AS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, Ind AS 107 is amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk.

The amendments contain specific transition provisions for the first annual reporting period in which the group applies the amendments. Under the transitional provisions an entity is not required to disclose:

(i) comparative information for any reporting periods presented before the beginning of the annual reporting period in which the entity first applies those amendments

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(ii) the information otherwise required by Ind AS 7:44H(b)(ii)-(iii) as at the beginning of the annual reporting period in which the entity first applies those amendments.

(iii) Amendments to Ind AS 1 Presentation of Financial Statements

The amendments affect only the presentation of liabilities as current or non-current in the Balance Sheet and not the amount or timing of recognition of any asset, liability, income or expenses.

The amendments clarify that the classification of liabilities as current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and Introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.

Further, the amendments specify that only covenants that an entity is required to comply with on or before the on of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the and of the reporting period, even if compliance with the covenant is assessed only after the reporting date (e.g. a covenant based on the entity's financial position at the reporting date that is assessed for compliance only after the reporting date). However, the amendments do not affect classification where there is a breach of a material covenant of a long-term loan arrangement on or before the and of the reporting period with the effect that the liability becomes payable on demand on the reporting date, until the annual periods beginning prior to 1 April 2026.

The amendments also specify that the right to defer settlement of a liability for at least twelve months after the reporting date is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of though liabilities becoming repayable within twelve months after the reporting period. This would include information about the covenants (including the nature of the covenants and when the entity is required to comply with them), the carrying amount of related liabilities and facts and circumstances, if any, that indicate that the entity may have difficulties complying with though covenants.

(iv) Amendments to Ind AS 12 Income Taxes titled International Tax Reform-Pillar Two Model Rules

The amendments clarify that the Standard applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules.

The amendments introduce a temporary exception to the accounting requirements for deferred taxes in Ind AS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. Following the amendments, the group is required to disclose that it has applied the exception and to disclose separately its current tax expense (income) related to Pillar Two income taxes.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

3(a) Property, plant and equipment

Description	Free-hold Land (Refer note (iv) below)	Building (Refer note (iv) below)	Furniture & Fixtures (Refer Note II below)	Office Equipment	Plant & Machinery (Refer Note II below)	Vehicles	Total	Capital work in progress
Gross Carrying Amount								
Balance as at April 1 , 2024	**269.1**	**765.3**	**242.7**	**121.1**	**7,298.7**	**149.1**	**8,846.0**	**886.9**
Additions	-	138.4	11.4	22.0	1,339.3	80.4	1,591.5	1,261.0
Disposals*	-	-	(0.0)	(0.0)	(5.2)	(13.8)	(19.0)	-
Capitalised during the year	-	-	-	-	-	-	-	(1,591.5)
Balance as at March 31, 2025	**269.1**	**903.7**	**254.1**	**143.1**	**8,632.8**	**215.7**	**10,418.5**	**556.4**
Additions	-	94.9	1.1	27.8	1,353.7	31.5	1,509.0	2,384.1
Disposals*	-	-	-	-	(142.4)	(7.9)	(150.3)	-
Capitalised during the year	-	-	-	-	-	-	-	(1,509.0)
Transfer under the scheme of arrangement (Refer Note 38)	(2.8)	(129.1)	(110.1)	(20.9)	(2,800.7)	(146.9)	(3,210.5)	(1,147.4)
Balance as at March 31, 2026	**266.3**	**869.5**	**145.1**	**150.0**	**7,043.4**	**92.4**	**8,566.7**	**284.1**
Accumulated depreciation and amortisation								
Balance as at April 1 , 2024	-	203.4	195.6	92.0	3,929.6	47.7	4,468.3	-
Depreciation charged during the year	-	27.4	21.2	18.2	651.2	39.8	757.8	-
Disposals *	**-**	**(0.0)**	**(0.0)**	**(0.0)**	**(5.2)**	**(7.8)**	**(13.0)**	**-**
Balance as at March 31, 2025	-	230.8	216.8	110.2	4,575.6	79.7	5,213.1	-
Depreciation charged during the year	-	28.8	16.6	15.8	636.2	32.4	729.7	-
Disposals *	-				(140.3)	(0.7)	(141.0)	-
Transfer under the scheme of arrangement (Refer Note 38)	**-**	**(37.0)**	**(101.9)**	**(16.9)**	**(1,382.2)**	**(64.7)**	**(1,602.7)**	**-**
Balance as at March 31, 2026	**-**	**222.6**	**131.5**	**109.1**	**3,689.3**	**46.7**	**4,199.1**	**-**
Net Carrying Amount								
Net carrying amount as at March 31, 2025	**269.1**	**672.9**	**37.3**	**32.9**	**4,057.2**	**136.0**	**5,205.4**	**556.4**
Net carrying amount as at March 31, 2026	**266.3**	**646.9**	**13.6**	**40.9**	**3,354.1**	**45.7**	**4,367.6**	**284.1**

**The balance is less than one Million.*

Notes:

(i) For capital commitments, refer note 37.

(ii) The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.

(iii) Refer note 46(x) for disclosure related to valuation of Property, plant and equipment

(iv) Title deeds of Immovable Properties not held in name of the Company:

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Description of the property	Gross Carrying Value	Period held since (range) (date of acquisition)	Whether in the name of promoter, director or their relative or employee	Held in Name of	Reason for not being held in name of Company
Freehold Land and building located at Bengaluru, Karnataka	4.6	From November 2, 2001	No	SKF Bearings India Limited	The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in title deed.
Freehold Land and building located at Chinchwad, Pune, Maharashtra	2.2	From January 15, 1962	No	SKF bearings india limited	The title deeds are in the name of the SKF Bearings India Limited. Effective 7 October 2004, SKF Bearings India Limited has changed its name to SKF India Limited. The Company is in the process of changing the name in title deed.

As per the Scheme, all immovable properties including but not limited to capital work in progress, land, buildings, and any associated rights, titles, interests, rights of way and easements, shall stand transferred to and vested in the Resulting Company, or be deemed to have been transferred and vested automatically, without any further act or deed, with effect from the Appointed Date.

Accordingly, all immovable properties of SKF India Limited (the "Company") forming part of the Industrial Undertaking have been transferred to and vested in the Resulting Company with effect from October 1, 2025. The Company will cooperate in filing the necessary applications with the concerned authorities for updating records to reflect the transfer in favour of the Resulting Company in due course.

I. Ageing of Capital work-in-progress

A. Ageing of Capital work-in-progress as on March 31, 2026

Particulars	CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	281.1	3.0	-	-	284.1
Projects temporarily suspended	-	-	-	-	-

B. Ageing of Capital work-in-progress as on March 31, 2025

Particulars	CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	541.8	14.1	0.5	-	556.4
Projects temporarily suspended	-	-	-	-	-

Note:

There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

II. ASSETS GIVEN ON OPERATING LEASE

The Group has leased following assets to SKF Engineering and Lubrication India Private Limited (fellow subsidiary) under operating lease. The carrying amount of the assets given on operating lease and depreciation thereon for the period are:

Description	Plant & Machinery	Furniture & Fixtures	Total
Gross Carrying Amount			
Balance as at April 1 , 2024	**60.2**	**8.4**	**68.6**
Additions	-	-	-
Balance as at March 31, 2025	**60.2**	**8.4**	**68.6**
Transfer under the scheme of arrangement (Refer Note 38)	(60.2)	(8.4)	(68.6)
Balance as at March 31, 2026	**-**	**-**	**-**
Accumulated depreciation and amortisation			
Balance as at April 1 , 2024	54.7	5.2	59.9
Depreciation charged during the year	**1.5**	**0.3**	**1.8**
Balance as at March 31, 2025	56.2	5.5	61.7
Depreciation charged during the year	0.8	0.2	0.9
Transfer under the scheme of arrangement (Refer Note 38)	(57.0)	(5.7)	(62.7)
Balance as at March 31, 2026	**-**	**-**	**-**
Net Carrying Amount			
Net carrying amount as at March 31, 2025	**4.0**	**2.9**	**6.9**
Net carrying amount as at March 31, 2026	**-**	**-**	**-**

3(b) Right-of-use assets

A. Right-of-Use Assets

(i) Amounts recognised in the Balance sheet

This note provides information for leases where the Group is a lessee. The Group has taken buildings on lease and the lease contracts are typically made for fixed periods of 1 year to 8 years.

Particulars	March 31, 2026	March 31, 2025
Buildings	21.8	51.2
TOTAL	**21.8**	**51.2**

(ii) Movement in Right-of-use assets

Description	Right of Use Assets
Gross Carrying Amount	
Balance as at April 1, 2024	**375.7**
Additions	17.7
Balance as at March 31, 2025	**393.4**
Additions	19.9
Disposals/Adjustments	(198.6)
Transfer under the scheme of arrangement (Refer Note 38)	(21.8)
Balance as at March 31, 2026	**192.9**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Description	Right of Use Assets
Accumulated depreciation and amortisation	
Balance as at April 1, 2024	**281.7**
Depreciation charged during the year	60.5
Balance as at March 31, 2025	**342.2**
Depreciation charged during the year	39.1
Disposals/Adjustments	(198.5)
Transfer under the scheme of arrangement (Refer Note 38)	(11.6)
Balance as at March 31, 2026	**171.1**
Net Carrying Amount	
Net carrying amount as at March 31, 2025	**51.2**
Net carrying amount as at March 31, 2026	**21.8**

Note: Non cash transaction financing activities March 31, 2026 INR 23.3 million (March 31, 2025 INR 24.2 million).

B. Leases

Particulars	March 31, 2026	March 31, 2025
Non-current lease liabilities	24.3	5.8
Current lease liabilities	4.8	63.4
TOTAL	**29.1**	**69.2**

i. Movement in lease liabilities:

The following is the movement in lease liabilities:

Particulars	March 31, 2026	March 31, 2025
Balance as at the beginning of the year	69.2	117.6
Add: Additions	23.3	24.8
Add: Adjustments	6.3	-
Less: Transfer under the scheme of arrangement (Refer Note 38)	(14.1)	-
Less: Repayment of lease liabilities	(55.6)	(73.2)
Balance as at the end of the year	**29.1**	**69.2**

ii. Amounts recognised in the Statement of Profit & Loss :

The statement of profit and loss shows the following amounts relating to lease:

Particulars	March 31, 2026	March 31, 2025
Depreciation charge on right-of-use assets (Refer note 30)	39.1	60.5
Interest on lease liabilities (refer note 29)	3.5	7.0
Expense relating to short-term leases /leases of low-value assets (Refer Note 31)	19.9	14.7
TOTAL	**62.5**	**82.2**

The total cash outflow for leases for the year was INR 55.6 Million (March 31, 2025 was INR 73.2 Million)

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

iii. Contractual maturities of lease liabilities

The table below provides details regarding the contractual maturities of lease liabilities as of March 31 on an undiscounted basis:

Particulars	March 31, 2026	March 31, 2025
Less than one year	4.8	63.4
One to five years	24.3	5.8
More than five years	-	-
TOTAL	**29.1**	**69.2**

4 Investment Properties

Description	March 31, 2026	March 31, 2025
Gross carrying amount		
Balance at the beginning of the year	318.1	317.6
Additions during the year	0.2	0.5
Transfer under the scheme of arrangement (Refer Note 38)	(318.3)	-
Balance at the end of the year	**-**	**318.1**
Accumulated depreciation		
Balance at the beginning of the year	**77.0**	**66.9**
Depreciation for the year	5.0	10.1
Transfer under the scheme of arrangement (Refer Note 38)	(82.0)	
Balance at the end of the year	**-**	**77.0**
Net carrying amount	**-**	**241.1**

Amount recognised in statement of profit or loss (continuing operations) for investment properties given on operating lease to related party

Particulars	March 31, 2026	March 31, 2025
Rental income from investment properties (Refer Note 24)	98.3	49.5
Depreciation	5.0	10.1
Profit arising from Investment properties	**93.3**	**39.4**

Maturity analysis of lease payments receivable at the balance sheet date on an undiscounted basis:

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Particulars	March 31, 2026	March 31, 2025
Within one year	-	38.4
Later than one year but less than 5 year	-	153.6
More than 5 years	-	67.2

Estimation of fair value

Description	March 31, 2026	March 31, 2025
Investment properties (refer note below)	-	571.0

Notes to the Consolidated Financial Statements
As at and for the year ended March 31, 2026 (Contd.)

Note:

In FY 2025-26 the investment property has been transferred pursuant to the scheme of demerger (Refer Note 38).

For the financial year 2024-25, the Group had obtained an independent valuations for its investment properties by registered valuer as defined under rule 2 of Companies (Registered valuers and valuation) Rules, 2017. Fair value of investment property is arrived using Income Approach - Rent Capitalisation method. It is determined by capitalizing the market lease rent at an appropriate rate (yield) as on date of valuation. The fair value measurement is categorised in level 3 fair value hierarchy.

There is no impairment in respect of Investment properties and valuation method remain unchanged.

5 Other Intangible assets(Acquired)

Particulars	Computer Softwares
Gross carrying amount as at April 1, 2024	**10.5**
Additions	11.2
Disposals/Write off	-
Balance as at March 31, 2025	**21.7**
Additions	6.4
Disposals/Write off	-
Transfer under the scheme of arrangement (Refer Note 38)	(1.4)
Balance as at March 31, 2026	**26.7**
Accumulated amortization	
Balance as at March 31, 2024	9.0
Amortised during the year	2.4
Disposals/Write off	**-**
Balance as at March 31, 2025	11.4
Amortised during the year	5.0
Disposals/Write off	
Transfer under the scheme of arrangement (Refer Note 38)	(1.4)
Balance as at March 31, 2026	**15.0**
Net carrying amount	
Balance as at March 31, 2025	**10.3**
Balance as at March 31, 2026	**11.8**

Note: There are no intangibles assets under development.

6 Non-Current Investments

Particulars	March 31, 2026	March 31, 2025
Unquoted		
A. Investment carried at cost		
i. Equity Instruments at cost, fully paid up		
Sunstrength Renewables Private Limited (599,625 equity shares (March 31, 2025 - 599,625) of INR 10/- each fully paid	56.7	57.3
CleanMax Taiyo Private Limited 28,867 equity shares (March 31, 2025 - 28,867) of INR 10/- each fully paid	33.0	33.7
TOTAL (B)	**89.7**	**91.0**
TOTAL (A+B)	**89.7**	**91.0**
Aggregate book value of unquoted investments	89.7	91.0
Aggregate book value of quoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

Notes:

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

i. During the year ended March 31, 2025, the Group subscribed to 100% equity shares in SKF India (Industrial) Limited, (the "wholly owned subsidiary Group") incorporated under the Companies Act, 2013 and its rules. Subsequently, pursuant to the Scheme of Demerger approved by the competent authority, the investment held by the Group in the Subsidiary stood cancelled in accordance with the terms of the said Scheme. Consequent to such cancellation, SKF India (Industrial) Limited ceased to be a subsidiary of the Group w.e.f. October 1, 2025. Refer note 38.

ii. During the year ended March 31, 2021, the Group had subscribed to 26.74% equity shares in Sunstrength Renewables Private Limited (SRPL) (the 'associate Group'), a Group incorporated pursuant to the requirements of the Electricity Act, 2002 and its rules.Further during the year ended March 31, 2024, the Group has subscribed 290,000 equity shares of SRPL vide issuance of equity shares. The equity shareholding of 26.74% remains the same.

During the year ended March 31, 2023, the Group had subscribed to 26.00% equity shares in CleanMax Taiyo Private Limited (CTPL) (the 'associate Group'), a Group incorporated pursuant to the requirements of the Electricity Act, 2002 and its rules. Further during the year ended March 31, 2024, the Group has subscribed 26,267 equity shares of CTPL vide issuance of equity shares. The equity shareholding of 26.00% remains the same.

7 Loans

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good				
Loan to related party* (refer note 40)	-	1,576.0	-	1,576.0
Loan to others**	-	-	33.3	-
Transfer under the scheme of arrangement (Refer Note 38)	-	(1,576.0)	-	-
TOTAL	**-**	**-**	**33.3**	**1,576.0**

*Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013)

** The Group has given advance in nature of loan for supply of Goods. The rate of interest on the loan is at arm's length price.

Notes:

i) Refer Note 40 for related party disclosures

ii) Loan given to SKF Engineering and Lubrication India Private Limited (a fellow subsidiary/Borrower) with original repayment starting from financial year 2014 onwards. During the FY 2023-24 (erstwhile demerger), the repayment terms of the loan are extended till 2029 and same was novated to SKF India (Industrial) Limited ("Resulting Company").
The said loan together with interest is secured by first charge by way of hypothecation on all the fixed assets of the borrower and corporate guarantee given by AB SKF (erstwhile Ultimate Parent Company). Loan is considered to be recoverable considering favourable loan to security ratio, no defaults in repayment in the past, improved operational performance of the borrower, support by the borrower's holding company in the past and supported by reasonable assumption used for future cash flow. The rate of interest on the loan is the average deposit and lending rate (higher of the two) for the period of the loan and prevailing yield for the government securities closest to the tenure of the loan, whichever is higher.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Disclosure as per Schedule III

Particulars	March 31, 2026		March 31, 2025	
	Amount outstanding	% to the total loans and advances in the nature of loans	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good (refer note (ii) above)	-	-	1,576.0	100%
Other related parties				
TOTAL	-	-	1,576.0	100%

8 Other Financial Assets

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good (unless otherwise specified)				
Security Deposits	27.6	72.5	-	111.0
EMD and other deposits				
- Unsecured, considered good	-	1.2	-	227.5
- Unsecured, considered doubtful	-	-	-	136.0
	-	1.2	-	363.5
Less: Allowance for doubtful deposits	-	-	-	(136.0)
	-	1.2	-	227.5
Other receivables:				
Related party (Refer note 40)	75.9	-	-	-
Other than related party	4.6	-	7.8	0.2
Interest accrued:				
On fixed deposits with banks	2.6	-	30.8	-
	110.7	**73.7**	**38.6**	**338.7**

9 Deferred Tax Assets (net)

Particulars	March 31, 2026	March 31, 2025
Deferred tax assets	198.8	391.2
Deferred tax liabilities	-	-
Deferred tax assets (net)	**198.8**	**391.2**

Notes:

i) Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.

The Company has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted."

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Movements in deferred tax asset/(liabilities) (net)

Deferred tax assets / (liabilities) relates to the following:

Particulars	Balance as at April 1, 2025	Deferred Tax charge/(Credit) recognised in Profit & Loss statement (refer note 34 A)	Deferred Tax charge/ (Credit recognised in OCI (refer note 34 B)	Deferred tax assets/ (liabilities) transferred pursuant to Scheme of Demerger	Other timing differences	Balance as at March 31, 2026
Deferred tax assets relating to:						
Provision for employee benefits	178.2	9.6	(4.6)	(90.4)	-	92.8
Provision for doubtful trade receivables	69.7	(12.0)	-	(26.1)	-	31.6
Provision for Obsolete stock	80.4	(18.4)	-	(45.0)	-	17.0
Written Down Value of Property, plant and equipment	0.3	10.9	-	(0.3)	-	10.9
Others	62.6	99.0	-	(115.2)	-	46.4
	391.2	**89.0**	**(4.6)**	**(277.0)**	**-**	**198.8**
Deferred tax liabilities relating to:						
TOTAL	**391.2**	**89.0**	**(4.6)**	**(277.0)**	**-**	**198.8**

Particulars	Balance as at April 1, 2024	Deferred Tax charge/(Credit) recognised in Profit & Loss statement (refer note 34 A)	Deferred Tax charge/ (Credit recognised in OCI (refer note 34 B)	Deferred tax assets/ (liabilities) transferred pursuant to Scheme of Demerger	Other timing differences	Balance as at March 31, 2025
Deferred tax assets relating to:						
Provision for employee benefits	138.3	12.9	27.0	-	-	178.2
Provision for doubtful trade receivables	60.4	9.3	-	-	-	69.7
Provision for Obsolete stock	61.0	19.4	-	-	-	80.4
Written Down Value of Property, plant and equipment	0.4	(0.1)	-	-		0.3
Others	51.0	11.6	-			62.6
	311.0	**53.2**	**27.0**	**-**	**-**	**391.2**
Deferred tax liabilities relating to:						
	-	**-**	**-**	**-**	**-**	**-**
TOTAL	**311.0**	**53.2**	**27.0**	**-**	**-**	**391.2**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

10 Non-Current Tax Assets

Particulars	March 31, 2026	March 31, 2025
Non-current tax asset (net of provision March 31, 2026: INR 26,178 Million (March 31, 2025 - INR 24,228 Million)	694.3	416.9
TOTAL	**694.3**	**416.9**

Movement of Non-current tax asset:

Particulars	March 31, 2026	March 31, 2025
Opening Balance	**416.9**	**289.9**
Add: Taxes paid during the year	1,293.0	2,155.4
Less: Provision for Income tax	(1,236.1)	(2,005.0)
Less: Current Tax adjustment of earlier years	(402.2)	(23.4)
Less: Interest on BAPA Tax accounted under exceptional items (refer note 34)	(72.8)	-
Add: Pre-deposit against earlier year tax provisions	695.5	-
Closing Balance	**694.3**	**416.9**

11 Other Assets

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Capital Advances	-	76.0	-	57.5
Prepaid Expenses	151.7	15.8	153.1	14.7
Advances to suppliers	**241.7**	**-**	**272.7**	**-**
Export benefits / duty entitlements				
- Unsecured, considered good	17.2	-	18.5	-
- Unsecured, considered doubtful	**-**	**-**	**3.1**	**-**
	17.2	-	21.6	-
Less: Allowance for doubtful receivables	**-**	**-**	**(3.1)**	**-**
	17.2	-	18.5	-
Balances with government authorities	599.0	-	636.6	-
Amount paid under protest/dispute				
- Direct Tax	-	303.0	-	950.5
- Indirect Tax	**-**	**46.9**	**-**	**52.1**
	-	**349.9**	**-**	**1,002.6**
Other receivables				
- Unsecured, considered good	80.5	-	125.1	-
- Unsecured, considered doubtful	**-**	**4.9**	**-**	**4.9**
	80.5	4.9	125.1	4.9
Less: Allowance for doubtful receivables	**-**	**-**	**-**	**(4.9)**
	80.5	**4.9**	**125.1**	**-**
TOTAL	**1,090.1**	**446.6**	**1,206.0**	**1,074.8**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

12 Inventories

Particulars	March 31, 2026	March 31, 2025
Valued at lower of cost and net realizable value		
Raw Materials and Bought-Out Components including material in transit (March 31, 2026 INR 112.60 Million March 31, 2025 INR 121.4 Million)	943.5	848.5
Stores and Spares including material in transit (March 31, 2026:Nil, March 31, 2025 : INR 42.6 Million)	641.0	593.9
Work-in-progress	114.1	33.9
Finished Products including Goods in transit (March 31, 2026: INR 480.0 Million, March 31, 2025:INR 1,454.4 Million)	1,535.8	7,257.0
TOTAL	**3,234.4**	**8,733.3**

The cost of inventories recognised as an expense during the year in respect of continuing operations was INR 84.9 Million (March 31, 2025: INR 261.5 Million).

13 Trade receivables

Particulars	March 31, 2026	March 31, 2025
Trade receivables from contract with customers – billed	3,572.9	7,770.2
Trade receivables from contract with customers – unbilled	32.6	55.1
Trade receivables from contract with related parties – unbilled	24.9	160.8
Trade receivables from contract with customers – related parties	3,627.6	761.1
Less: Loss allowance	(90.2)	(261.7)
TOTAL	**7,167.7**	**8,485.5**
Break-up of security details		
Trade Receivables		
Considered good – unsecured	7,167.7	8,485.5
Credit impaired	90.2	261.7
TOTAL	**7,257.9**	**8,747.2**
Less : Loss allowance	(90.2)	(261.7)
TOTAL	**7,167.7**	**8,485.5**

Notes:

I) Trade receivables are non-interest bearing.

ii) No trade receivables are due from directors or other officers of the Group or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

iii) Refer note 43 for information on credit risk and market risk.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

A. Ageing of trade receivables for the year ended March 31, 2026

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	32.6	3,182.9	281.5	18.1	-	-	-	3,515.1
(ii) Undisputed trade receivables -considered good - related parties (Refer note 40)	24.9	1,520.1	2,104.4	0.2	1.4	-	1.5	3,652.5
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	2.6	23.9	24.3	20.2	13.2	84.2
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	-	-	6.1	-	6.1
TOTAL	**57.5**	**4,703.0**	**2,388.5**	**42.2**	**25.7**	**26.3**	**14.7**	**7,257.9**
Less: Loss allowance								(90.2)
TOTAL	**57.5**	**4,703.0**	**2,388.5**	**42.2**	**25.7**	**26.3**	**14.7**	**7,167.7**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

B. Ageing of trade receivables for the year ended March 31, 2025

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	55.1	6,376.2	1,132.3	-	-	-	-	7,563.6
(ii) Undisputed trade receivables -considered good - related parties (Refer note 39)	160.8	704.0	32.2	19.3	-	3.9	1.7	921.9
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	56.8	-	-	-	-	56.8
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	64.7	42.6	10.5	87.1	204.9
TOTAL	**215.9**	**7,080.2**	**1,221.3**	**84.0**	**42.6**	**14.4**	**88.8**	**8,747.2**
Less: Loss allowance								(261.7)
TOTAL	**215.9**	**7,080.2**	**1,221.3**	**84.0**	**42.6**	**14.4**	**88.8**	**8,485.5**

14 Cash and cash equivalents

Particulars	March 31, 2026	March 31, 2025
Balances with Banks		
- On Current Account	**191.5**	**435.2**
- On EEFC Account	45.4	273.6
- On Deposit Account (with original maturity of 3 months or less)	2,686.0	6,398.9
TOTAL	**2,922.9**	**7,107.7**

15 Bank balances other than above

Particulars	March 31, 2026	March 31, 2025
Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months	0.5	0.5
Unclaimed Dividend Account*	75.6	80.1
TOTAL	**76.1**	**80.6**

**Unclaimed dividend account represent amounts held for dividend remittance. Amounts held for divided remittance are not available for use.*

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

16 Equity Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Authorised Equity Share Capital				
100,000,000 equity shares of Rs. 10 each (March 31, 2025: 100,000,000 equity share of Rs. 10 each)	100.0	1,000.0	100.0	1,000.0
Issued, subscribed and fully paid-up				
49,437,963 equity shares of Rs. 10 each fully paid-up (March 31, 2025: 49,437,963 equity shares of Rs. 10 each fully paid-up)	49.4	494.4	49.4	494.4

Movement in issued, subscribed and paid up Equity share capital

A. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity Shares :				
At the beginning of the year	49.4	494.4	49.4	494.4
Add: Issued during the year	-	-	-	-
Balance as at the end of the year	**49.4**	**494.4**	**49.4**	**494.4**

B. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Group, the equity shareholders are eligible to receive remaining assets of the Group, after distribution of all preferential amounts, in the proportion to their shareholding.

C. Shares of the company held by Holding company and their subsidiaries

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity shares of INR 10 each fully paid up held by				
(a) Holding company				
Aktiebolaget SKF (AB SKF)	-	-	22.7	226.7
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f December 22, 2025) (Refer note D below)	26.0	260.0		
(b) Subsidiaries of holding company				
SKF U.K. Limited (Refer note D below)	-	-	3.1	31.3
SKF Forvaltning AB (Refer note D below)	-	-	0.2	2.0
TOTAL	**26.0**	**260.0**	**26.0**	**260.0**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

D. Pursuant to the scheme of demerger, on October 1 2025, SKF (UK) Ltd and SKF Forvaltning transferred their holdings of 3,129,581 equity shares (representing 6.33% of the paid-up equity share capital) and 196,423 equity shares (representing 0.40% of the paid-up equity share capital) respectively in SKF India Limited to AB SKF. Consequent to the aforesaid transfer, AB SKF's aggregate shareholding in SKF India Limited increased to 25,992,059 equity shares, constituting 52.58% of the paid-up equity share capital.

On December 22, 2025, AB SKF transferred its entire holding of 25,992,059 equity shares (representing 52.58% of the paid-up equity share capital) in SKF India Limited to SKF Vertevo AB (formerly known as SKF Interim AB).

As of March 9, 2026, SKF Interim AB, which has since been renamed SKF Vertevo AB, holds 25,992,059 equity shares (representing 52.58% of the paid-up equity share capital) in SKF India Limited. This shareholding position remains unchanged as of March 31, 2026.

E. The Group has not issued any fully paid up bonus share, made any buy back of shares or issued any shares for consideration other than cash, during the period of five years immediately preceding the reporting date.

E. Details of shareholders holding more than 5% equity share capital in the compny

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	Number of shares (Million)	% of total shares in the class	Number of shares (Million)	% of total shares in the class
Aktiebolaget SKF, holding company	-	-	22.7	45.8%
SKF U.K. Limited, fellow subsidiary company	-	-	3.1	6.3%
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f December 22, 2025) (Refer note D above)	26.0	52.6%	-	-
TOTAL	**26.0**		**25.8**	

F. Details of shareholding of Promoters

Name of the promoter	As at March 31, 2026			As at March 31, 2025		
	Number of shares (Million)	% of total shares in the class	% of change during the year	Number of shares (Million)	% of total shares in the class	% of change during the year
Aktiebolaget SKF (AB SKF)	-	-	(45.8%)	22.7	45.8%	-
SKF U.K. Limited	-	-	(6.3%)	3.1	6.3%	-
SKF Forvaltning AB	-	-	(0.4%)	0.2	0.4%	-
SKF Vertevo AB (Formerly known as SKF Interim AB) (w.e.f December 22, 2025) (Refer note D above)	26.0	52.6%	52.6%	-	-	-

G. Dividends

Particulars	March 31, 2026	March 31, 2025
i) **Equity shares**		
Dividend paid		
March 31, 2025 (INR 14.5 per share)	716.9	-
March 31, 2024 (INR 130 per share)	-	6,426.9
ii) Dividends not recognised at the end of reporting period		
In addition to the dividend in point (i) above, post year end the Board of Directors in their meeting held on May 13, 2026 have recommended the payment of a dividend of INR 40 per fully paid equity share (March 31, 2025 – INR 14.5). This proposed dividend is subject to the approval of shareholders in the Annual General meeting.	1,977.6	716.9

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

17 Other Equity

Particulars	March 31, 2026	March 31, 2025
Reserves and Surplus		
General reserve	2,838.9	2,838.9
Capital redemption reserve	32.9	32.9
Retained earnings	9,927.7	22,613.4
TOTAL	**12,799.9**	**25,485.3**

There are no changes due to changes in accounting policies or prior period errors.

A. General reserve (Refer note (i) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	2,838.9	2,838.9
Addition during the year	-	-
Balance as at the end of the year	**2,838.9**	**2,838.9**

B. Capital redemption reserve (Refer note (ii) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	32.9	32.9
Addition during the year	-	-
Balance as at the end of the year	**32.9**	**32.9**

C. Retained Earnings (Refer note (iii) below)

Particulars	March 31, 2026	March 31, 2025
Balance at the beginning of the year	22,613.4	23,461.3
Add - Profit for the year	2,659.4	5,659.1
Add- Other comprehensive income recognised directly in retained earnings	(13.3)	(80.1)
Less : Dividend on Equity shares INR 14.5 per share (Previous year INR 130 per share)	(716.9)	(6,426.9)
Less : Net assets transferred in accordance to scheme of demerger (Refer Note 38)	(14,614.9)	-
Balance as at the end of the year	**9,927.7**	**22,613.4**

Notes:

i) **General Reserve :** General Reserve represents appropriation of profit by the Group. This represents a free reserve and is available for dividend distributions. The reserve is a free reserve.

ii) **Capital Redemption Reserve :** This reserve represents amounts transferred from retained earnings in earlier years as per the requirements of the erstwhile Companies Act, 1956, now Companies Act 2013.

iii) **Retained Earnings :** Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

18 Provisions

Particulars	March 31, 2026		March 31, 2025	
	Current	Non-Current	Current	Non-Current
Coupons & Incentives	-	49.4	-	84.5
Warranty	-	26.5	2.6	7.4
Coupons & Incentives	341.0	-	275.7	-
Provision for employee benefits				
- Compensated absences	-	270.6	89.8	325.2
- Provident fund liability (Refer note 41)	-	41.2	-	132.3
- Gratuity (Refer note 41)	73.0	-	61.5	-
	414.0	**387.7**	**429.6**	**549.4**

A. Movements in provisions

Movements in each class of provision during the financial year

Particulars	Disputed statutory and other matters	Warranty	Coupons & Incentives	Total
As on April 01, 2024	**76.8**	**21.1**	**261.0**	**358.9**
Provision made during the year	12.3	8.5	869.0	889.8
Provision utilised during the year	(4.6)	(19.6)	(854.3)	(878.5)
As on March 31, 2025	**84.5**	**10.0**	**275.7**	**370.2**
Provision made during the year	6.5	47.1	987.9	1,041.5
Provision utilised during the year	(41.6)	(28.0)	(646.9)	(716.5)
Transfer under the scheme of arrangement (Refer Note 38)	-	(2.6)	(275.7)	(278.3)
As on March 31, 2026	**49.4**	**26.5**	**341.0**	**416.9**

All provisions are measured at carrying values since the impact of discounting is not significant.

(i) Provision for disputed statutory and other matters:

This represents provisions made for probable liabilities/claims arising out of pending disputes/litigations with various regulatory authorities and those arising out of commercial transactions with vendors/employees/others. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of outflow of resources will depend upon timing of decision of cases.

The Company has reviewed the various liabilities/ claims relating to tax and legal matters and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

(ii) Provision for warranties:

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.

(iii) The provision for other obligations is on account of coupons given on products sold by the Group and other retailers and distributors incentive schemes. The provision for coupons is based on the historical data/estimated figures. The timing and amount of the cash flows that will arise will be determined at the time of receipt of claims from customers, which is generally up to 18 months.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

19 Trade Payables

Particulars	March 31, 2026	March 31, 2025
(i) Total outstanding dues of micro enterprises and small enterprises	187.6	505.5
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	1,564.2	1,336.8
(iii) Payable to related parties (Refer note 40)	3,729.0	4,787.8
TOTAL	**5,480.8**	**6,630.1**

Notes:

(i) Trade payables are generally non-interest bearing.

(ii) Refer note 43 for information about liquidity risk and market risk.

A. Ageing of Trade payables as on March 31, 2026

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	187.1	0.4	0.1	-	-	187.6
(ii) Other than micro enterprises and small enterprises	2,316.8	2,573.9	275.6	65.2	-	61.7	5,293.2
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTAL	**2,316.8**	**2,761.0**	**276.0**	**65.3**	**-**	**61.7**	**5,480.8**

B. Ageing of Trade payables as on March 31, 2025

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	493.2	7.5	1.0	0.9	2.9	505.5
(ii) Other than micro enterprises and small enterprises	1,320.5	4,279.9	437.7	11.9	22.7	51.9	6,124.6
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTaAL	**1,320.5**	**4,773.1**	**445.2**	**12.9**	**23.7**	**54.8**	**6,630.1**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

C. Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	March 31, 2026	March 31, 2025
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
Principal amount due to Micro and Small Enterprises*	208.4	515.9
Interest due on above	26.4	23.3
(ii) The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	285.4	335.5
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	3.2	5.6
(iv) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	23.2	17.7

**Includes amount of INR 205 Million (March 31, 2025 INR 233 Million) outstanding, but not overdue to micro and small as on March 31, 2026.*

Note : The above information has been compiled by the Group on the basis of information made available by vendors during the year ended March 31, 2026 and year ended March 31, 2025

D. Reconciliation to Trade Payable total outstanding dues of micro and small enterprises and MSME disclosure principal amount

Particulars	March 31, 2026	March 31, 2025
MSME Principal	187.6	505.5
Payables on account of capital purchases (Refer note 20)	20.8	10.4
Total outstanding dues to Micro And Small Enterprises	**208.4**	**515.9**

20 Other current financial liabilities

Particulars	March 31, 2026	March 31, 2025
Salaries and Incentives	145.1	245.1
Liabilities for dealer incentives	78.1	1,065.2
Unclaimed dividend (Refer note (i))	75.7	80.0
Payables on account of capital purchases	115.2	60.2
Other liabilities (Refer note (ii))	204.9	297.8
TOTAL	**619.0**	**1,748.3**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Notes:

(i) There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2026 except INR 0.2 Million (March 31, 2025 INR 0.2 Million) which is held in abeyance due to legal cases pending. The same has been deposited by the Bank to RBI Depositor Education and Awareness Fund Account. The Company is in the process to recover the money back to Unclaimed Dividend Account.

(ii) Other liabilities includes amount payable towards retention amount for trade payables, etc.

21 Current Tax Liabilities (Net)

Particulars	March 31, 2026	March 31, 2025
Current Tax Liabilities (Net)	178.2	-
(Net of advance tax INR Nil (March 31, 2025: Nil))		
TOTAL	**178.2**	**-**

22 Other Current Liabilities

Particulars	March 31, 2026	March 31, 2025
Statutory dues payable	172.3	189.1
Advances received from customers	214.9	42.6
TOTAL	**387.2**	**231.7**

23 Revenue from Operations

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue from contracts with customers		
Sale of products		
Manufactured goods	23,420.6	27,393.7
Traded goods	12,212.3	19,672.8
Total revenue from sale of products	**35,632.9**	**47,066.5**
Sale of services	755.6	1,238.5
Other operating income		
Scrap sales	68.1	73.7
Technical and other service income	406.1	706.7
Miscellaneous Operating Income		
ISA Service Income (Refer note D Below)	709.4	-
Others (includes export benefits etc)	61.8	113.8
TOTAL	**37,633.9**	**49,199.2**

Pursuant to the Scheme of arrangement, certain customer contracts have not yet been novated to SKF India (Industrial) Limited as at the effective date of scheme. Consequently, revenue aggregating to INR 1,036.0 Million, pertaining to services performed by SKF India(Industrial) Limited under such non-novated contracts, has been billed by the Company on behalf of SKF India (Industrial) Limited during the period from October 01, 2025 to March 31, 2026 considering the Company acting as agent on behalf of SKF India (Industrial) Limited. Refer note D Below.

Also, the Company has made passthrough sales transactions for inward of inventory on behalf of SKF India (Industrial) Limited amounting to INR 1,462.7 Million.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

A Disaggregation of revenue

Revenue disaggregation in terms of nature of goods and services has been included above. Refer note 36 for detailed information regarding the disaggregation of revenue.

B Timing of Revenue Recognition

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue recognised at a point in time	36,878.3	47,960.7
Revenue recognised over time	755.6	1,238.5
TOTAL	**37,633.9**	**49,199.2**

C Reconciliation of revenue as recognised in the Consolidated Statement of Profit and Loss with the contracted price:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue as per statement of Profit & Loss	37,633.9	49,199.2
Add: Incentive/rebates etc	1,421.4	2,098.5
Add: Discounts	2.3	4.0
Add: Liquidated damages	31.6	36.4
Contract price	**39,089.2**	**51,338.1**

D Note on Interim Transition Service Arrangements

Pursuant to the Scheme of Arrangement, SKF India Limited ("the Company") and SKF India (Industrial) Limited entered into Interim Transition Service Arrangements ("ISA") for the sharing of common facilities and functions. Under these arrangements, the costs attributable to such shared facilities and functions are reimbursed by the Company on a proportionate basis, in the ratio mutually agreed upon by both entities, with effect from the appointed date of October 1, 2025. The costs so reimbursed are recognised in the books of account of the Company under the respective expense heads.

24 Other Income

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest Income from Financial assets at amortised cost		
- Fixed deposits with banks	339.4	589.4
- On loan given to related party	63.2	139.3
Rental income	98.3	49.5
Discount on license purchased	10.3	8.2
Gain on sale of Property Plant and Equipment (net)	2.3	0.4
Liabilities and Provisions no longer required written back	59.0	-
Net gain on foreign currency transactions and translations	183.4	176.0
Miscellaneous Income (Includes Job work etc.)	305.7	51.7
TOTAL	**1,061.6**	**1,014.5**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

25. Cost of materials consumed

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Inventory at the beginning of the year	848.5	670.3
Add : Purchases during the year	11,322.5	12,650.9
Less : Inventory at the end of the year	(943.5)	(848.5)
Cost of materials consumed	**11,227.5**	**12,472.7**

26 Purchases of stock-in-trade

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Purchases of traded goods	10,644.9	19,473.7
TOTAL	**10,644.9**	**19,473.7**

27 Changes in inventories of finished goods,work-in-progress and stock-in-trade

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Opening inventory		
Finished goods	1,539.1	1,468.3
Work in Progress	33.9	29.9
Traded goods	5,717.9	4,011.7
	7,290.9	**5,509.9**
Less : Closing inventory		
Finished goods	1,418.1	1,539.1
Work in Progress	114.1	33.9
Traded goods	117.7	5,717.9
	1,649.9	**7,290.9**
Less: Inventory Transfer under the scheme of arrangement (Refer Note 38)	(4,944.0)	-
(Increase)/Decrease in inventories	**697.0**	**(1,781.0)**

28 Employee benefit expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Salaries, Wages and Bonus	2,184.8	2,793.9
Share based payments (Refer Note 45)	17.4	17.3
Contribution to Provident and other funds (Refer note 41)	162.6	203.5
Gratuity (Refer note 41)	34.4	46.8
Compensated absences	87.7	73.8
Staff welfare expenses	342.3	462.5
TOTAL	**2,829.2**	**3,597.8**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

29 Finance Costs

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Interest expense on lease liabilities (Refer note 3(b))	3.5	7.0
TOTAL	**3.5**	**7.0**

30 Depreciation and Amortisation expense

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Depreciation of property, plant and equipment (Refer note 3(a))	729.7	757.8
Depreciation of right-of-use assets (Refer note 3(b))	39.1	60.5
Amortisation of Intangible assets (Refer note 5)	5.0	2.4
Depreciation of Investment property (Refer note 4)	5.0	10.1
TOTAL	**779.8**	**830.8**

31 Other Expenses

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Consumption of stores and spare parts	1,440.5	1,573.8
Power and Fuel	550.9	627.7
Repairs and maintenance		
- Building	25.0	49.9
- Machinery	528.7	566.1
Royalty	760.0	812.9
IT Services	839.4	722.5
Trade mark fees	342.7	509.9
Rental charges (Refer note 3(b))	19.9	14.7
Insurance	74.2	86.3
Rates and Taxes	21.0	11.8
Travel and conveyance	278.5	398.8
Legal and professional fees	196.1	75.4
Payment to auditors (Refer note 31.1 below)	6.1	6.8
Advertising and sales promotion	125.8	202.3
Logistic Cost	368.1	536.5
Provision for bad and doubtful debts	11.4	37.1
Bad debts written off	40.9	12.7
Directors' Commission / Sitting Fees	5.0	8.5
"Expenditure incurred for Corporate Social Responsibility (Refer note 32 below)"	160.7	135.4
Loss on sale of property,plant and equipment	4.5	-
Net Exchange Loss	98.7	-
Miscellaneous expenses	1,849.2	1,593.3
TOTAL	**7,747.3**	**7,982.4**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

31.1 Payment to Auditors

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
As auditor		
- Statutory audit (including limited reviews)	**4.9**	**4.7**
- Other audit services	1.0	1.0
In other capacities		
- Certification fees	0.2	1.1
	6.1	**6.8**

32 Details of Corporate Social Responsibility Expenditure

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility ("CSR") activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the Company as per the Act. The funds required to be spent and funds spent during the year are explained below:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
a) Gross amount required to be spent by the Company during the year	148.7	132.4
b) Amount of expenditure incurred	160.7	135.4
c) (Excess)/Shortfall at the end of the year	(12.0)	(3.0)
d) Total of previous years shortfall*		
e) Reason for shortfall		
f) Nature of CSR activities	CSR activities are mainly focused towards Youth empowerment, women empowerment, education and others	CSR activities are mainly focused towards Youth empowerment, women empowerment, education and others
g) Details of related party transactions	-	-
h) Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	-	-
Contribution towards Youth Empowerment	54.5	51.8
Contribution towards Women Empowerment	35.5	35.5
Contribution towards Education	33.3	19.3
Others	37.4	28.8
TOTAL	**160.7**	**135.4**
Amount spent during the year on		
(i) Construction/acquisition of an Assets	-	-
(ii) On purpose other than (i) above	160.7	135.4
	160.7	**135.4**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

33 Income Tax Expense

A. Amount recognised in profit or loss

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
(a) Current Tax:		
In respect of the current year	1,765.9	2,005.0
In respect of earlier years	-	23.4
(b) Deferred Tax charge/(credit):		
In respect of the current year	(91.5)	(55.5)
In respect of earlier years	-	-
Total	**1,674.4**	**1,972.9**
Income tax expense reported in the standalone statement of profit and loss	**1,674.4**	**1,972.9**

B. Income tax recognised in other comprehensive income

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Continuing Operations		
Re-measurement of the net defined benefit liability/ asset:		
Re-measurement (loss)/Income on defined benefit plans before tax	(17.9)	(107.1)
Tax expense	4.6	27.0
Total	**(13.3)**	**(80.1)**
Income tax expense reported in the other comprehensive income	**(13.3)**	**(80.1)**

C. Amounts recognised directly in equity

No tax expense has been recognised directly in equity.

D. Reconciliation of effective tax rate

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Profit before tax (including continuing and discontinued operations)	4,333.8	7,632.0
Tax using the Company's domestic tax rate of 25.168%	1,090.8	1,921.0
Effect of:		
Tax relating to earlier years	530.4	23.4
Corporate social responsibility expenditure	37.4	34.1
Others (Standard deduction, Provision for MSME interest, etc.)	15.8	(5.3)
Income tax credit reported in the consolidated statement of profit and loss	**1,674.4**	**1,973.2**
Tax impact of remeasurement of post employment benefits obligation recognised in other comprehensive income	4.6	27.0

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

34 Exceptional Items

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Exceptional Items		
(i) Demerger expenses (Refer note (i) below)	334.4	-
(ii) Gratuity on account of New Labour Codes (Refer note (ii) below)	24.0	-
(iii) Finance cost on incremental tax liability on account of Bilateral Advanced Pricing Agreement (BAPA) (Refer note (iii) below)	72.8	
TOTAL	**431.2**	**-**

(i) During the year ended March 31,2026, the Company has incurred certain demerger expense for IT cost (INR - 280.1 Million), professional services (INR - 46.9 Million), estimated liability for transfer premium (INR 7.4 Million) towards Scheme of Demerger as explained in note 38. These restructuring costs are non-recurring in nature and do not reflect the Company's normal operating performance.

(ii) On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental financial impact of these changes on the basis of legal advise obtained and the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented this incremental financial impact as "Statutory impact of new Labour Codes" under "Exceptional item". The incremental impact consisting of gratuity of INR 24 million for the year ended March 31, 2026 primarily arises due to change in wage definition.

The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed, if any on the measurement of liability pertaining to employee benefits.

35 Earnings per share

Basic and diluted earnings per share

The earnings per share (basic & diluted), computed as per the requirement under Indian Accounting Standard (IND AS 33) on 'Earnings per Share' is as under:

Information about geographical segments	Year Ended March 31, 2026	Year Ended March 31, 2025
Nominal value of equity shares (INR) per share	**10**	**10**
Profit attributable to Equity Shareholders (INR in Million)	2,659.4	5,659.1
Weighted average number of Equity Shares outstanding during the year	4,94,37,963	4,94,37,963
Total Basic and diluted earnings per share (INR)*	**53.8**	**114.5**

36 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Board of Directors has been identified as the Chief operating decision maker (CODM).The Group operates in only one business segment viz. 'Bearings'. This is the principal activity for the Group. The segment revenue is measured in the same way in Statement of Profit and Loss.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Information about geographical segments	Year Ended March 31, 2026	Year Ended March 31, 2025
Segment revenue		
Within India	34,910.5	44,398.0
Outside India	2,723.4	4,801.2
	37,633.9	**49,199.2**
Segment assets *		
Within India	5,916.0	7,647.2
Outside India	-	-
	5,916.0	**7,647.2**

**Non Current Assets excludes Deferred Tax assets and Financial Instruments*

37 Commitments and Contingent Liabilities

A. Contingent liabilities (to the extent not provided for):

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Claims against the Group not acknowledged as debts		
(i) Income-tax *	1,582.3	4,034.2
(ii) Excise & Customs duty	257.0	411.5
(iii) GST, Service Tax and Sales tax	211.2	197.6
(iv) Others	93.3	1,177.1
TOTAL	**2,143.8**	**5,820.4**

** Including interest of INR 205.8 Million (March 31, 2025 INR 1,427.0 Million) as per the demand order.*

Notes:

(i) Income Taxes - Bilateral Advance pricing Agreement Impact

During the current year, the Company entered into a Bilateral Advance Pricing Agreement (“BAPA”) with the Central Board of Direct Taxes (“CBDT”) on March 18, 2026, covering financial years FY 2012–13 to FY 2020–21 for certain transactions with its Ultimate Parent Company. Pursuant to the BAPA, tax relating to prior years for the year ended March 31, 2026 includes, an incremental tax expense of INR 614.8 million (including interest of INR 72.8 million which is disclosed as an exceptional item for the year ended March 31, 2026)

Pending completion of assessment proceedings, the total primary adjustment arising from the BAPA including advance tax, tax paid under protest, and provisions for these years continues to be carried in the Company’s books. Once assessments are concluded, the final tax payable/refund will be settled between the Company and Resulting Company companies on an agreed predetermined ratio.

The tax impact of secondary adjustments, for which no provision or advance tax had previously been recorded, has been allocated between the Company and the Resulting Company in accordance with the Scheme of Demerger approved by Honourable National Company Law Tribunal (NCLT). The tax charge relating to such secondary adjustments, included in the incremental tax expense above, amounts to INR 88.8 million.

The substantial reduction in Contingent Liability is on account of BAPA signed by the Company with CBDT. The Contingent Liability related to the aforesaid years are reversed of INR 2,704.4 Million (SKF India Limited INR 1,591.3 Million and SKF (India) Industrial Limited INR 1,113.1 Million)

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(i) Income Taxes - Others

The Group has outstanding disputes with Direct Tax authorities mainly relating to tax treatment of certain expenses claimed as deduction, computation or allowances and transfer pricing matters.

During the year, the company has received final assessment order for the Financial year 2021-22 with upward adjustment of INR 693.7 Million towards transfer pricing addition. The company has preferred appeal before the Commissioner of Income Tax (Appeals) and the same is pending to be heard.

The company has also received order subsequent to the voluntary revocation of Health and education cess claim for the Financial year 2018-19 under section 154 r.w.s 155(18) of the Income-tax Act, 1961 leading to the adjustment of INR 71.8 Million. The company already has provided for the tax expense on account of the same and has filed for the rectification application before the Assessing officer towards the incorrect levy of Interest component which is also part of Contingent Liability INR 8.2 Million.

(ii) GST Service Tax -Sales Tax

The Group has outstanding disputes with Indirect Tax authorities mainly relating to VAT, Service tax and GST.

(iii) Customs Duty

During the previous year Group has received show cause cum demand notice from customs authority of India to enforce bond u/s 143 of the customs act 1962 w.r.t advance license issued during FY 1997-98. The Group has successfully closed part of the licenses. For the closure of remaining licenses, the Group is co-ordinating with DGFT and Customs Authorities. In response RTI application was filed on June 29, 2024, with the Chief Commissioner of Customs and the Directorate General of Foreign Trade. The Group is currently in the process of preparing its reply and, where applicable, filing a writ petition.

(iv) Others

The Group has disclosed other claims relating to civil cases considering similar industry practices.

(v) The Group has evaluated the impact of the recent supreme court judgment in case of "Vivekananda Vidyamandir and Others vs The Regional Provident Fund Commissioner (II), West Bengal" and the related circular (Circular No. -C-I/1(33)2019/Vivekananda Vidya Mandir /284) dated March 20, 2019 issued by the Employees' Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision is recorded as at March 31, 2026.

(vi) Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble NCLT dated September 26, 2025, the Industrial Business of SKF India Limited was demerged into SKF India (Industrial) Limited, with effect from October 01, 2025. The contingent liabilities relating to Income Tax and Indirect Tax continue to be carried in the books of SKF India Limited, and shall be finally adjusted only upon ultimate settlement/closure of the respective proceedings, at which point, both entities will recognise their respective share of tax expense or refund in accordance with the Scheme. The company has a contractual right towards reimbursement of the amount of demand/refund finally determined.

B. Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances of INR 76.0 Million (March 31, 2025 INR 57.5 Million)	693.5	757.3
TOTAL	**693.5**	**757.3**

38 Scheme of Arrangement between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors (referred as the "Scheme")

The Board of Directors of the Company at its meeting held on December 26, 2024, has approved the Scheme of Arrangement among SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Compa-

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

ny"), and their respective shareholders and creditors under section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). The Scheme has an appointed and effective date of October 1, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on October 1, 2025. Accordingly, the Scheme is effective w.e.f. October 01, 2025 ("Effective Date"). The existing equity shares of INR 100,000 (10,000 equity shares of INR 10 each) was cancelled on October 1, 2025. Following the implementation of the Scheme, the Resulting Company has ceased to be a subsidiary of the Company with effect from October 01, 2025.

Upon the Scheme becoming effective and from the Appointed Date, the Company has reduced the carrying value of all the assets, liabilities and retained earnings pertaining to the Demerged Undertaking (including its investments in the Subsidiary) as appearing in the books of account of the Company, being transferred to and vested in the Resulting Company from the respective book value of assets and liabilities of the Company and has been accounted for in accordance with Ind AS 105 - Non-current assets held for sale and discontinued operations.

The difference, being excess of carrying value of assets over the carrying value of liabilities of the Demerged company is adjusted against Retained earnings in accordance with the approved Scheme of Arrangement.

Particulars	As at October 1, 2025
Assets transferred to Resulting Company	22,332.5
Liabilities directly associated with assets transferred	(7,717.6)
Total Net Assets (Retained Earnings)	**14,614.9**

(I) Income/(expense) pertains to Discontinued Operations

The financial performance and cash flow information presented are from April 1, 2025 to September 30, 2025 (March 31, 2026 column) and the year ended March 31, 2025.

Results of discontinued operations	Industrial business undertaking	
	March 31, 2026 (From April 1, 2025 to September 30, 2025)	March 31, 2025
Revenue from operations	16,336.9	30,745.8
Other Income	248.4	708.2
Total income (A)	**16,585.3**	**31,454.0**
Cost of materials consumed	2,699.9	3,979.3
Purchases of stock-in-trade	8,045.8	18,877.5
Changes in inventories of finished goods, work-in-progress and stock-in-trade	380.8	(1,051.4)
Employee benefits expense	1,094.0	1,732.4
Finance costs	1.8	7.0
Depreciation	149.6	303.6
Other expenses	2,068.8	3,525.9
Expenses (B)	**14,440.7**	**27,374.4**
Profit before tax and exceptional items(C)=(A)-(B)	**2,144.6**	**4,079.6**
Exceptional Items	160.2	-
Profit before tax and after exceptional items	**1,984.4**	**4,079.6**
Tax (expense)/ credit	(496.5)	(1,054.7)
Profit for the year	**1,487.9**	**3,024.9**
Other Comprehensive Income - gain, net of taxes	16.3	6.7
Total Comprehensive Income - gain, net of taxes	**1,504.2**	**3,031.6**

The above mentioned profit is attributable entirely to the owners of the Group.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(II) Summary of assets and liabilities transferred as of October 1, 2025:

Effect of disposal on the financial position of the Company (Industrial business undertaking)	Balance as at October 1, 2025
ASSETS	
Non-current Assets	
Property, plant and equipment	1,607.8
Right-of-use assets	10.1
Capital work-in-progress	1,147.4
Investment properties	236.2
Other Intangible assets	-
Financial assets	
Loans	1,576.0
Other Financial assets	253.3
Deferred tax assets (net)	277.1
Other non-current assets	16.5
Total non-current assets	**5,124.3**
Current Assets	
Inventories	5,306.5
Financial Assets	
Trade receivables	6,263.3
Cash and cash equivalents	5,232.8
Other Financial assets	0.1
Other Current Assets	405.4
Total current assets	**17,208.1**
TOTAL ASSETS	**22,332.5**
EQUITY AND LIABILITIES	
Equity	
Equity Share Capital	494.4
Other Equity	**14,120.5**
Total Equity	**14,614.9**
LIABILITIES	

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Effect of disposal on the financial position of the Company (Industrial business undertaking)	Balance as at October 1, 2025
Non-current liabilities	
Financial Liabilities	
Lease Liabilities	0.8
Provisions	156.0
Total non-current liabilities	**156.8**
Current Liabilities	
Financial Liabilities	
Lease Liabilities	13.3
Trade Payables	
Outstanding dues of micro and small enterprises	309.6
Outstanding dues other than micro and small enterprises	5,512.7
Other Financial liabilities	1,376.7
Provisions	304.7
Other current liabilities	43.9
Total current liabilities	**7,560.8**
Total Liabilities	**7,717.6**
TOTAL EQUITY AND LIABILITIES	**22,332.5**

(III)Cash flows from Discontinued Operations for the period April 1, 2025 to September 30, 2025

Cash flow from discontinued operations	Industrial business undertaking
Net cash inflow/(outflow from operating activities	1,637.0
Net cash inflow/(outflow) from investing activities	(923.2)
Net cash (outflow)/ inflow from financing activities	(12.2)
Net (decrease)/ increase in cash and cash equivalents (discontinued operations)	**701.6**

Further, Resulting Group have pursuant to the Scheme, allotted 49,437,963 Equity Shares of INR 10 each, to the shareholders of the Group (as on the Record Date i.e.. October 15, 2025) in 1:1 ratio (1 share of INR 10 each has been issued by Resulting Group for every 1 share of INR 10 each held in the Group).

As a result of Scheme become effective, the assets and liabilities as presented as at March 31, 2026 reflect the impact of the Scheme and are accordingly not comparable with those as at March 31, 2025.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

39 Disclosure of interest in other entities

Interest in other entities

Set out below are the associates of the Group as at March 31, 2026 which, in the opinion of the directors, is not material to the Group. The entities listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their respective principal places of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of entity	Relation	Country of Incor-poration	Impact on Profit after Tax	
			March 31, 2026	March 31, 2025
SKF India (Industial) Limited (discontinued w.e.f. October 01, 2025)*	Subsidiary	India	-	100%
Sunstrength Renewables Private Limited#	Associate	India	26.74%	26.74%
Clean Max Taiyo Private Limited#	Associate	India	26.00%	26.74%

** Shares cancelled pursuant to the scheme of arrangement.*

#Unlisted entity - no quoted price available

Sunstrength Renewables Private Limited is engaged in the business of generation and distribution of solar power and design, development, operation and maintenance of solar power generation system as per the agreement with the customers.

Clean Max Taiyo Private Limited is engaged in the business of generation and distribution of power generated from Wind Solar Hybrid Power Project to the Consumer shareholders as per the agreement.

(i) Significant judgement: existence of significant influence

Through the shareholders' agreement, SKF India Limited is guaranteed one seat (Observer) on the boards of Sun-strength Renewables Private Limited and participates in all significant financial and operating decisions. It holds 26.74% of the voting rights. The Company has therefore determined that it has significant influence over this entity.

Through the shareholders' agreement, SKF India Limited participates in all significant financial and operating decisions of Clean Max Taiyo Private Limited. It holds 26.0% of the voting rights. The Company has therefore determined that it has significant influence over this entity.

A. Summarised Financial information of Associates

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Non-Current Assets		
Property, Plant and Equipment	988.4	1019.7
Intangible Assets	1.4	1.5
Capital Work-in-progress	-	0
Right-of-use asset	4.2	4.4
Other non-current assets	52.2	104.6
Total non-current assets	**1,046.2**	**1130.2**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Current Assets		
Cash and Cash Equivalents and Other Bank Balances	95.7	118.2
Trade Receivables	0.4	0.1
Other assets	47.6	65.8
Total current assets	**143.7**	**184.1**
Total Assets (A)	**1,189.9**	**1,314.3**
Non-Current Liabilities		
Financial Liabilities	712.1	765.3
Other Liabilities	9.4	6.7
Total non-current liabilities	**721.5**	**772.0**
Current Liabilities		
Financial Liabilities	127.6	197.3
Other Liabilities	0.6	1.4
Total current liabilities	**128.2**	**198.7**
Total Liabilities (B)	**849.7**	**970.7**
Net Assets (A-B)	**340.2**	**343.6**

B. Summarised Statement of Profit and Loss

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Revenue	139.5	129.7
Other Income	4.3	
Depreciation and amortisation	(43.3)	(40.5)
Interest expenses	(79.0)	(92.1)
Income tax expenses	(4.1)	1.9
Other expense	(22.5)	(22.2)
Profit / (loss) from continuing operations	**(4.9)**	**(15.8)**
Profit / (loss) from discontinued operations	-	-
Profit / (loss) from discontinued operations	(4.9)	(15.8)
Profit / (loss) for the year	**(4.9)**	**(15.8)**
Other comprehensive income	-	-
Total comprehensive income	**(4.9)**	**(15.8)**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

C. Reconciliation to Carrying Amounts

Particulars	Sunstrength Renewables Private Limited		Clean Max Taiyo Private Limited	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Opening net assets	214.1	194.0	129.5	143.6
Equity infusion	-	-	-	-
Others	1.6	17.5	(0.2)	4.2
Profit / (loss) for the year	3.0	2.6	(8.0)	(18.3)
Other comprehensive income	-	-	-	-
Closing net assets	**218.7**	**214.1**	**121.3**	**129.5**
SKF India Limited share in %	26.7%	26.7%	26.0%	26.0%
SKF India Limited share in INR Million	58.4	57.3	31.5	33.7
Carrying amount	**56.7**	**57.3**	**33.0**	**33.7**

D. Share of Profit/ (Loss) from Associates

Particulars	Sunstrength Renewables Private Limited		Clean Max Taiyo Private Limited	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Share of Profit/(Loss) from Associates	0.8	5.4	(2.1)	(3.7)
Total	**0.8**	**5.4**	**(2.1)**	**(3.7)**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

40 Related Party Transactions

Disclosure in respect of material transactions in accordance with Para 24 of Ind AS 24 - Related Party Disclosures

A. Name of related parties and description of relationship:

Particulars	
(a) Ultimate Parent Entity / Ultimate Controlling Party and Immediate Parent Entity / Immediate Controlling Party	Aktiebolaget SKF (AB SKF) (till December 22, 2025) SKF Vertevo AB (formerly known as SKF Interim AB) (From December 22, 2025)
(b) Wholly owned subsidiaries	SKF India (Industrial) Limited (Till September 30, 2025)
(c) Associates	Sunstrength Renewables Private Limited
	CleanMax Taiyo Private Limited
(d) Fellow subsidiary Companies (All under the common control of AB SKF, SKF Vertevo AB (formerly known as SKF Interim AB))	SKF Gmbh
	SKF Industrie S.P.A.
	SKF Sverige AB
	SKF USA Inc.
	SKF Oesterreich AG
	SKF Metal Stamping S.R.L.
	Kaydon Corporation
	AB SKF
	SKF International AB
	SKF De Mexico S.A. De C.V
	PT SKF INDONESIA
	SKF Vietnam Ltd.
	PT. SKF INDUSTRIAL INDONESIA (esrtwhile PT SKF INDONESIA)
	SKF (Shanghai) Automotive Technologies Co Ltd
	SKF Australia Pty Ltd.
	SKF Sealing Solutions Austria Gmbh
	SKF Forvaltning AB
	SKF Engineering And Lubrication India Private Ltd
	SKF India (Industrial) Limited (w.e.f. October 1, 2025)
	SKF Japan Ltd.
	PSC SKF Ukraine
	SKF Recondoil AB
	SKF Espanola S.A., Int. Mark.
	SKF Seals Italy S.P.A
	SKF Bearings Bulgaria EAD
	SKF Taiwan Co. Ltd.
	SKF Korea Ltd.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Particulars	
	SKF Argentina S.A.
	SKF (Xinchang) Bearings And Precision Technologies Co Ltd
	SKF Automotive Germany GmbH (erstwhile SKF Interim Germa-ny GmbH)
	SKF Automotive Italy S.R.L.
	SKF Automotive Usa, Inc.
	SKF Interim France S.A
	SKF Interim China Holdco (erstwhile. SKF Automotive (Shanghai) Co.)
	SKF Interim China ATC A
	Ningbo General Bearing Ltd
	Oy SKF AB
	SKF France S.A.S
	Tenute S.R.L
	SKF International AB EDC
	SKF Sealing Solutions S.A. De C.V
	SKF Del Peru S.A.
	SKF Do Brasil Ltda
	Peer Bearing Company, Changshan (Cpz1)
	SKF Asia Pacific Pte Ltd
	SKF (Thailand) Ltd.
	SKF Bearing Industries (Malaysia) Sdn Bhd
	SKF Malaysia Sdn Bhd
	Beijing Nankou SKF Railway Bearings Co Ltd
	SKF Sealing Solutions(Wuhu) Co.,Ltd
	SKF Sealing Solutions Korea Co Ltd
	SKF (Dalian) Bearings And Precision Technologies Co. Ltd.
	SKF (Jinan) Bearings & Precision Technology Co. Ltd
	SKF Distribution (Shanghai) Co Ltd
	SKF Sealing Solutions Gmbh

Notes to the Consolidated Financial Statements
As at and for the year ended March 31, 2026 (Contd.)

Particulars	
	Cooper Roller Bearings Company Ltd
	SKF B.V
	SKF Kenya Limited
	SKF Economos India Private Limited
	SKF Automotive Japan Ltd (esrtwhile SKF Interim Japan Ltd.)
	SKF Industrial Brasil Ltda
	SKF Automotive Belgium Iii Nv
	SKF Mekan AB
	SKF Eurotrade AB
	SKF Cz A.S.
	SKF Canada Ltd
	SKF Latin Trade S.A.S.
	SKF Turk Sanayi Ve Ticaret Limited Sirketi
	SKF Philippines Inc.
	SKF (China) Sales Co Ltd
	SKF South Africa (Pty) Ltd.
	SKF Mfr Technology AB
	Vesta Si Sweden AB
	Lincoln Industrial Corporation
	Alemite LLC
	Stewart Warner Corporation Of Canada
	SKF Lubrication Systems Germany Gmbh
	SKF Marine Gmbh
	SKF Marine Singapore Pte Ltd.
	Kaydon S De R.L. De C.V.
	Aterforsakringsaktiebolaget SKF
	SKF Danmark A/S
	M3M S.A.S
	SKF Aerospace France S.A.S.
	SKF Logistics Services Belgium Nv
	SKF Portugal - Rolamentos Lda.
	Venture Aerobearings LLC.
	BFW Coupling Services Ltd
	SKF Magnetic Bearings
	SKF Uruguay S.A
	SKF Chilena S.A.I.C.

Notes to the Consolidated Financial Statements
As at and for the year ended March 31, 2026 (Contd.)

Particulars	
	Pilgrim International Ltd.
	SKF Polska Sp. Z O.O.
	SKF Business Center Sp. Z.O.O.
	SKF Aeroengine France S.A.S
	SKF (Zambia) Ltd.
	SKF Magnetic Mechatronics S.A.S
	SKF Economos Deutschland Gmbh
	SKF Automotive Sweden Ab.
	RKS S.A.S
	SKF Interim Italy(erstwhile. SKF Italy Automotive Sales)
(e) Key Management Personnel (with whom transactions have taken place)	Ms. Anu Wakhlu
	Mr. Gopal Subramanyam
	Ms. Kerstin Enochsson (till 12th January 2026)
	Mr. Karl Robin Joakim Landholm (till 12th January 2026)
	Mr. Mukund Vasudevan (MD till September 2025, Non-executive Non-independant Directors w.e.f. October 01, 2025 till January 12, 2026)
	Mr. Bastian Thomas (w.e.f. January 13, 2026)
	Mr. Antonio Molle (w.e.f. January 13, 2026)
	Mr. Shailesh Kumar Sharma (WTD till September 30, 2025 and MD w.e.f. October 01, 2025)
	Mr. Ranjan Kumar (till September 30, 2025)
	Mr. Ashish Saraf (till September 30, 2025)
	Ms. Aashi Arora (w.e.f. October 01, 2025)
	Mr. Magnus Lennart Prick (w.e.f. January 13,2026)
(f) Post Employment Benefit Plans	SKF India Limited Provident Fund Scheme
	SKF Bearings India Limited Superannuation Scheme
	SKF Bearings India Limited Bangalore Superannuation Scheme
	SKF Bearings India Limited Employees Gratuity Fund
	SKF Bearings India Limited Bangalore Employees Gratuity Fund

B. Terms and conditions of transactions with related parties:

(i) The sales to and purchase from related parties are made on terms equivalent to those that prevail in arm's length transaction. Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables except for the loan given. For the year ended March 31, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2025: Nil).

(ii) Services rendered include renting services, technical, other services, etc.

(iii) Services received include administrative, IT services, royalty, trade-mark, other services etc.

(iv) Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

(v) Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on valuation carried out for the Company as a whole.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

C. Related party transactions during the year:

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
A	**Sales and purchases of goods and services**					
(i)	**Purchases of raw materials, components, spares and finished & traded goods**		**12,356.7**		**19,528.5**	
		SKF GMBH		1,789.3		3,714.9
		SKF Engineering and Lubrication India Private Limited		2,581.7		4,388.8
		SKF Sverige AB		903.6		2,128.4
		SKF France S.A.		615.8		1,717.5
		SKF Industrie SPA		480.9		1,172.1
		SKF India (Industrial) Limited		2,394.4		-
		Others		3,591.0		6,406.8
(ii)	**Purchases of property, plant and equipment**		**809.3**		**200.1**	
		SKF Osterreich AG		22.8		53.8
		SKF Engineering and Lubrication India Private Limited		22.9		26.0
		SKF GMBH		9.3		1.0
		SKF Sealing Solutions		-		58.6
		SKF Espanola S.A. Int, Mark		-		42.3
		SKF Bearings Bulgaria EAD		744.0		-
		Others		10.3		18.4
B	**Services received**					
(i)	**Administrative and Service Fees**		**40.5**		**47.6**	
		SKF International AB		10.5		38.4
		AB SKF		18.0		1.8
		SKF GMBH		-		0.5
		SKF USA Inc		4.7		6.7
		Others		7.3		0.2
(ii)	**IT services**		**794.8**		**367.0**	
		AB SKF		794.8		367.0
(iii)	**Interim Transition Service Arranagements expenses (Refer Note 33)**		**562.7**		**-**	
		SKF India (Industrial) Limited		562.7		-
C	**Royalty & Trade mark fees**		**1,102.7**		**1,322.8**	
		AB SKF		890.5		1,322.8
		SKF Vertevo AB (formerly known as SKF Interim AB)		212.2		-
D	**Shared based payment**					
	Shared based payment		**9.9**		**9.9**	
		AB SKF		9.9		9.9

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
E	**Purchase of electricity and others**					
(i)	**Power and Fuel**		**154.5**		**148.3**	
		Sunstrength Renewables Private Limited		73.9		67.4
		CleanMax Taiyo Private Limited		80.6		80.9
F	**Sales of goods and services**					
(i)	**Goods and Services**		**6,279.4**		**3,902.3**	
		SKF International AB EDC		362.1		429.2
		SKF GMBH		339.1		667.3
		SKF Do Brazil Ltda		96.9		141.8
		SKF USA Inc		252.7		473.4
		SKF Industrie S.P.A		48.9		96.5
		SKF Asia Pacific Pte Ltd		491.0		814.3
		SKF De Mexico S.A.DE C.V.		263.4		603.1
		SKF (Thailand) Ltd		198.5		220.1
		SKF India (Industrial) Limited		3,401.3		-
		SKF Automotive Germany GmbH		253.0		-
		SKF France S.A.S		161.6		-
		Others		411.0		456.6
(ii)	**Technical and other service income**		**404.3**		**708.3**	
		AB SKF		372.2		457.4
		SKF Engineering and Lubrication India Private Limited		-		117.8
		Others		32.1		133.1
(iii)	**Interim Transition Service Arranagements Income (Refer Note 33)**		**1,117.0**		**-**	
		SKF India (Industrial) Limited		1,117.0		-
G	**Other Income**					
(i)	**Rent Income**		**75.7**		**49.5**	
		SKF Engineering and Lubrication India Private Limited		23.4		49.5
		SKF India (Industrial) Limited		52.3		
H	**Reimbursements**					
(i)	**Received**		**1,912.6**		**536.0**	
		SKF Engineering and Lubrication India Private Limited		11.8		117.2
		AB SKF		13.9		162.8
		SKF India (Industrial) Limited		1,860.7		-
		Others		26.2		256.0

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
(ii)	**Paid**		**33.5**		**21.4**	
		SKF Engineering and Lubrication India Private Limited		0.4		19.0
		SKF GMBH		3.9		1.5
		SKF Australia PTY Ltd.		0.5		0.8
		AB SKF		24.3		-
		SKF (Dalian) Bearings and Precision Technologies Co. Limited		4.4		0.1
		Others				
I	**Inter Corporate Loan & Interest**					
(i)	**Interest income on loan**		**63.2**		**139.3**	
		SKF Engineering and Lubrication India Private Limited		**63.2**		**139.3**
J	**Dividend Paid**		**376.9**		**3,379.0**	
		AB SKF		328.7		2,946.6
		SKF (UK) Ltd.		45.4		406.8
		SKF Forvaltning AB		2.8		25.5
K	**Payment to Key Managerial personnel**		**96.1**		**103.4**	
	(Refer Note B (v))	Short-term employee benefits		81.1		94.9
		Long-term employee benefits		4.5		5.7
		Share based payments		7.0		-
		Reimbursements		3.5		2.8
L	**Payment to Directors**		**5.0**		**8.5**	
		Sitting fees & Commission		5.0		8.5
M	**Investment in equity shares of Subsidiary Company**					
		SKF India (Industrial) Limited				
N	**Post Employment Benefit Plans**					
(i)	**Contributions paid**		**352.7**		**352.0**	
		SKF India Limited Provident Fund Scheme		180.8		237.9
		SKF Bearings India Limited Superannuation Scheme		35.2		42.3
		SKF Bearings India Limited Bangalore Superannuation Scheme		11.3		11.6
		SKF Bearings India Limited Employees Gratuity Fund		98.6		45.2
		SKF Bearings India Limited Bangalore Employees Gratuity Fund		26.8		15.0

Notes to the Consolidated Financial Statements
As at and for the year ended March 31, 2026 (Contd.)

Sr. No.	Nature of transaction / relationship / major parties	Name of related party	Year Ended March 31, 2026		Year Ended March 31, 2025	
			Amount	Amount	Amount	Amount
(ii)	**Reimbursements received for settlements**		**110.4**		**126.5**	
		SKF Bearings India Limited Employees Gratuity Fund		86.6		87.3
		SKF Bearings India Limited Bangalore Employees Gratuity Fund		23.8		39.2

D. Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Sr. No.	Nature of transaction / relationship	As at March 31, 2026		As at March 31, 2025	
		Amount	Amount	Amount	Amount
1	**Trade receivables**	**3,652.5**		**922.2**	
	SKF India (Industrial) Limited		2,669.1		-
	SKF DE MEXICO S.A.DE C.V.		121.2		-
	SKF International AB		0.8		597.7
	AB SKF		3.7		135.2
	Others		857.7		189.3
2	**Trade payables**	**3,729.0**		**4,787.8**	
	SKF India (Industrial) Limited*		3,092.5		-
	SKF International AB		-		2,632.2
	SKF Engineering and Lubrication India Private Limited		89.4		952.0
	AB SKF		60.8		320.9
	Others		486.3		882.7
3	**Other Financial Assets**	**75.9**		**-**	
	SKF India (Industrial) Limited		75.9		-
4	**Loans**	**-**		**1,576.0**	
	SKF Engineering and Lubrication India Private Limited		-		1,576.0
5	**Other liabilities**	**-**		**120.8**	
	SKF Do Brasil Ltda		-		120.8
6	**Post Employment Benefit Plans**				
	Other Payable	**179.9**		**274.1**	
	SKF Bearings India Limited Employees Gratuity Fund		73.0		61.6
	SKF Bearings India Limited Employees Provident Fund		60.5		151.7
	SKF Bearings India Limited Superannuation Scheme		46.4		60.8
7	**Director's commission**	**3.3**		**6.7**	
			3.3		6.7

**Includes amount payable for Interim Transition Service Arrangement aggregating to 1,118.7 MINR*

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

41 Employee benefits

A Post employment benefit plans

I. Defined contribution plans

The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Group has no obligations other than to make the specified contributions in case of employees not covered under SKF Bearings India Limited, Provident Fund Scheme. The contributions are charged to the profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Superannuation fund is as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Employee Provident Fund - Regional Provident Fund Contribution	113.8	59.4
Superannuation fund	46.5	61.2
TOTAL	**160.3**	**120.6**

II. Defined Benefit plans

i) Gratuity

The Company operates a post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive between 15 days to one month's salary for each year of completed service at the time of retirement/exit.
The following table summarises the position of assets and obligation.

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2024	**1,207.5**	**1,108.3**	**99.2**
Current service cost	43.4	-	43.4
Interest cost/income	77.1	72.8	4.3
Total amount recognised in profit & loss	120.5	72.8	47.7
Remeasurements			
Return on plan assets less interest on plan assets	-	34.8	(34.8)
Changes in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	26.6	-	26.6
Experience (gains)/losses	(17.1)	-	(17.1)
Total amount recognised in other comprehensive income	9.5	34.8	(25.3)
Employer contributions	-	60.2	(60.2)
Benefit payments	(126.5)	(126.5)	-
Closing balance as on March 31, 2025	**1,211.1**	**1,149.6**	**61.5**
Opening balance as on April 1, 2025	**1,211.1**	**1,149.6**	**61.5**
Current service cost	21.5	-	21.5
Past Service Cost	22.7	-	22.7
Interest cost/income	48.5	45.7	2.8
Total amount recognised in profit & loss	92.7	45.7	47.0
Remeasurements			
Return on plan assets less interest on plan assets	-	48.9	(48.9)

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Changes in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(5.3)	-	(5.3)
Experience (gains)/losses	166.2	-	166.2
Total amount recognised in other comprehensive income	160.9	48.9	112.0
Employer contributions	-	125.3	(125.3)
Benefit payments	(183.2)	(183.2)	-
Asset acquired/(Settled)	-	(404.2)	404.2
Liabilities assumed /(settled)*	(426.3)	-	(426.3)
Closing balance as on March 31, 2026	**855.3**	**782.3**	**73.0**

** These balances pertains to employees of SKF India (Industrial) Limited to the New Gratuity Trust formed and awaiting approval from the statutory authorities.*

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of funded obligations	855.3	1,211.1
Fair value of plan assets	782.3	1,149.6
Deficit / (Surplus) of funded plan	73.0	61.5

Principal actuarial assumptions used as at the reporting date:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	6.9%	6.8%
Salary growth rate		
for Management employees	10.0%	10.0%
for Non-Management employees	7.0%	7.0%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.0%	30.0%
Age From 31 to 40 years	18.0%	18.0%
Age From 41 to 50 years	11.0%	11.0%
Age From 51 to 59 years	16.0%	16.0%
for Non-Management employees		
Age From 21 to 30 years	1.0%	1.0%
Age From 31 to 40 years	2.0%	2.0%
Age From 41 to 50 years	0.0%	0.0%
Age From 51 to 59 years	9.0%	9.0%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Assumptions regarding future mortality are set based on actuarial advice in accordance with published statistics and experience in each territory. These assumptions translate into an average life expectancy in years for a pensioner .

Expected contribution to post employment benefit plans for the FY 2025-26 is INR 50 Million (FY 2024-25 INR 80 Million).

ii) Provident Fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. The actuary has provided a valuation and based on the below provided assumptions, there is no shortfall during the current financial year.

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2024	**2,372.3**	**2,435.0**	**(62.7)**
Current service cost	80.1	-	80.1
Interest cost/income	170.8	175.3	(4.5)
Total amount recognised in profit & loss	**250.9**	**175.3**	**75.6**
Remeasurements			
Return on plan assets less interest on plan assets	-	(277.5)	277.5
(Gain)/loss from change in financial assumptions	27.3	-	27.3
Experience (gains)/losses	**27.1**	**132.4**	**(105.3)**
Total amount recognised in other comprehensive income	54.4	(145.1)	199.5
Employer contributions	-	80.1	(80.1)
Employee contributions	158.6	158.6	-
Assets Distributed on Settlements / acquired on acquisition	**(14.0)**	**(14.0)**	**-**
Benefit payments	(259.3)	(259.3)	-
Closing balance as on March 31, 2025	2,562.9	2,430.6	132.3
Opening balance as on April 1, 2025	2,562.9	2,430.6	132.3
Current service cost	35.8	-	35.8
Interest cost/income	89.4	84.4	5.0
Total amount recognised in profit & loss	125.2	84.4	40.8
Remeasurements			
Return on plan assets less interest on plan assets	-	116.6	(116.6)
(Gain)/loss from change in financial assumptions	-	41.2	(41.2)
Experience (gains)/losses	120.7	-	120.7
Total amount recognised in other comprehensive income	120.7	157.8	(37.1)
Employer contributions	-	35.8	(35.8)
Employee contributions	73.3	73.3	-

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Assets Distributed on Settlements / acquired on acquisition	(1,146.7)	(1,087.7)	(59.0)
Benefit payments	(297.6)	(297.6)	-
Closing balance as on March 31, 2026	**1,437.8**	**1,396.6**	**41.2**

The fair value of plan assets is INR 1,396.6 Million (March 31, 2025 INR 2,430.6 Million) and recognized an obligation INR 1,437.8 Million (March 31, 2025 INR 2,562.9 Million).

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Present value of funded obligations	1,437.8	2,562.9
Fair value of plan assets	1,396.6	2,430.6
Deficit of funded plan	41.2	132.3

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

Particulars	Year Ended March 31, 2026	Year Ended March 31, 2025
Discount rate	6.9%	6.8%
Expected rate of return on plan assets	12.3%	10.0%
Discount rate for the remaining term to maturity of the investment	6.6%	6.7%
Average historic yield on the investment	12.0%	9.9%
Guaranteed rate of return	8.3%	8.3%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.0%	30.0%
Age From 31 to 40 years	18.0%	18.0%
Age From 41 to 50 years	11.0%	11.0%
Age From 51 to 59 years	16.0%	16.0%
for Non-Management employees		
Age From 21 to 30 years	1.0%	1.0%
Age From 31 to 40 years	2.0%	2.0%
Age From 41 to 50 years	0.0%	0.0%
Age From 51 to 59 years	9.0%	9.0%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

III Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Change in assumption			Impact on defined benefit obligation				
				Increase in Valuation			Decrease in Valuation	
	March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025		March 31, 2026	March 31, 2025
Discount rate - Gratuity	0.50%	0.50%	Decrease by	837.2	28.0	Increase by	872.1	26.6
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	871.1	27.5	Decrease by	837.9	26.4
RPFC guaranteed rate	1.00%	1.00%	Increase by	-	12.6	Decrease by	-	-

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

IV (a) The major categories of plans assets for Gratuity are as follows:

Particulars	March 31, 2026				March 31, 2025			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Debt instruments		4.6	4.6	1%	7.6	-	7.6	1%
Government of India securities	131.9	-	131.9	17%	136.4	-	136.4	12%
Sub Total	**131.9**	**4.6**	**136.5**		**144.0**	**-**	**144.0**	
Insurer Fund	-	1,059.9	1,059.9	135%	-	994.4	994.4	86%
Others *	-	(414.1)	(414.1)	(53%)	-	11.2	11.2	1%
Total	**131.9**	**650.4**	**782.3**	**100%**	**144.0**	**1,005.6**	**1,149.6**	**100%**

**These balances pertains to employees of SKF India (Industrial) Limited to the New Gratuity Trust formed and awaiting approval from the statutory authorities.*

(b) The major categories of plans assets for Provident Fund are as follows:

Particulars	March 31, 2026				March 31, 2025			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Equity instruments	321.3	-	321.3	23%	296.7	-	296.7	12%
Debt instruments								
Corporate bonds	-	-	-	0%	228.2	-	228.2	9%
Government of India securities	800.6	-	800.6	57%	1,153.1	-	1,153.1	47%
Sub Total	**800.6**	**-**	**800.6**		**1,381.4**	**-**	**1,381.3**	
Others	327.4	(52.7)	274.7	20%	-	752.7	752.7	31%
Total	**1,449.3**	**(52.7)**	**1,396.6**	**100%**	**1,678.0**	**752.7**	**2,430.7**	**100%**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

The weighted average duration of the defined benefit obligation is 4.09 years (March 31, 2025 – 4.51 years). The expected maturity analysis of undiscounted gratuity is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2026					
Defined benefit obligation	231.5	170.8	364.5	457.8	1,224.6
March 31, 2025					
Defined benefit obligation	293.1	400.1	450.7	633.4	1,777.4

42 Fair Value Measurements

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at Amortised cost for which fair values are disclosed as at March 31

Particulars	March 31, 2026		March 31, 2025	
	Amortised Cost	Carrying Amount	Amortised Cost	Carrying Amount
Financial assets				
Investment	89.7	89.7	91.0	91.0
Trade receivables	7,167.7	7,167.7	8,485.5	8,485.5
Cash and bank balances	2,999.0	2,999.0	7,188.3	7,188.3
Loans	-	-	1,609.3	1,609.3
Other Financial assets	184.4	184.4	377.3	377.3
Total Financial Assets	**10,441.2**	**10,441.2**	**17,751.4**	**17,751.4**
Financial Liabilities				
Trade Payables	5,480.8	5,480.8	6,630.1	6,630.1
Other Financial Liabilities	619.0	619.0	1,748.3	1,748.3
Lease Liabilities	29.1	29.1	69.2	69.2
Total Financial Liabilities	**6,128.9**	**6,128.9**	**8,447.6**	**8,447.6**

Notes:

(i) The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

(ii) There are no financial instruments measured under the category of Fair value through Profit and Loss account and Fair value through Other Comprehensive Income.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at Amortised cost for which fair values are disclosed as at March 31, 2026

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Investment	-	-	89.7	89.7
Trade receivables	-	-	7,167.7	7,167.7
Cash and bank balances	-	-	2,999.0	2,999.0
Loans	-	-	-	-
Other Financial assets	-	-	184.4	184.4
Total Financial assets	**-**	**-**	**10,440.80**	**10,440.8**
Financial Liabilities				
Trade Payables	-	-	5,480.8	5,480.8
Other Financial Liabilities	-	-	619.0	619.0
Lease Liabilities	-	-	29.1	29.1
Total Financial liabilities	**-**	**-**	**6,128.9**	**6,128.9**

Assets and liabilities which are measured at Amortised cost for which fair values are disclosed as at March 31, 2025

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Investment	-	-	91.0	91.0
Trade receivables	-	-	8,485.5	8,485.5
Cash and bank balances	-	-	7,188.3	7,188.3
Loans	-	-	1,609.3	1,609.3
Other Financial assets	-	-	377.3	377.3
Total Financial assets	**-**	**-**	**17,751.4**	**17,751.4**
Trade Payables	-	-	6,630.1	6,630.1
Other Financial Liabilities	-	-	1,748.3	1,748.3
Lease Liabilities	-	-	69.2	69.2
Total Financial liabilities	**-**	**-**	**8,447.6**	**8,447.6**

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level are as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Valuation processes

The Group performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

43 Financial Risk Management

Risk management framework

In the course of its business, the Group is exposed primarily to market risk, liquidity risk and credit risk, which may impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the Board of Directors.

The Risk Management framework aims to create a stable business planning environment by reducing the impact of market related risks, credit risks & currency fluctuations on the Group's earnings.

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk"

43 (A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

i) Foreign Currency risk

The Group transacts internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and SEK. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group's functional currency (INR).

The Group has both import and export transactions in foreign currency. The imports are higher than the exports and hence the Group has foreign currency exposure to the extent of purchases being higher than exports, but any material variation in currency is recovered from the customers, through on going negotiation process . Thus the risk for currency fluctuation is mitigated.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

The Group's exposure to foreign currency risk at the end of the reporting period are as under:

Particulars	Amount in respective foreign currencies (in Million)		Exchange Rates		Amount (INR in Million)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
(A) Financial Assets						
Trade Receivables						
EURO	2.0	1.0	107.8	92.6	219.8	90.3
USD	1.9	1.4	94.0	85.5	180.7	119.0
SEK	8.3	13.5	9.8	8.6	81.2	116.4
SGD	-	3.5	72.9	63.7	-	222.9
CNY	0.8	2.0	13.6	11.8	11.4	23.9
AUD	0.2	0.3	64.6	53.6	13.5	16.2
THB	21.4	16.8	2.9	2.5	61.1	41.9
CAD*	0.0	0.0	67.5	59.6	0.1	0.1
GBP	0.0	-		-	0.0	-
JPY	0.2	-	0.6	-	0.1	-
	34.8	38.5			567.9	630.7
Bank balance in EEFC						
EURO	0.4	3.0	107.8	92.6	40.2	273.2
USD	0.1	0.0	94.0	85.5	5.2	0.5
	0.5	**3.0**			**45.4**	**273.7**
	35.3	41.5			613.3	904.4
(B) Financial Liabilities						
Trade Payables						
EURO	4.6	30.3	107.8	92.6	499.3	2,802.8
USD	2.8	6.2	94.0	85.5	267.1	528.5
SEK*	0.0	0.0	9.8	8.6	0.3	0.3
GBP*	0.0	0.0	124.1	110.8	0.3	0.7
YEN	-	2.9	-	0.6	-	1.8
CHF*	1.0	0.0	117.5	97.0	74.9	0.1
SGD	0.0	0.5	72.9	63.7	1.1	32.8
ZAR	0.4	-	5.5	-	2.4	-
JPY	14.7	-	0.6	-	8.7	-
	23.5	39.9			854.1	3,367.0
	11.8	**1.6**			**(240.8)**	**(2,462.6)**

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

ii) Sensitivity to foreign currency risk

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on Profit after Tax	
	March 31, 2026	March 31, 2025
EURO		
Increase by 5 %	(14.0)	(135.6)
Decrease by 5 %	14.0	135.6
USD		
Increase by 5 %	(86.4)	(409.6)
Decrease by 5 %	86.4	409.6
SEK		
Increase by 5 %	4.0	5.8
Decrease by 5 %	(4.0)	(5.8)
SGD		
Increase by 5 %	(0.1)	9.5
Decrease by 5 %	0.1	(9.5)
THB		
Increase by 5 %	3.1	2.1
Decrease by 5 %	(3.1)	(2.1)
JPY		
Increase by 5 %	(0.4)	-
Decrease by 5 %	0.4	-

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's borrowing comprises of working capital loan which carries fixed rate of interest and which do not expose it to interest rate risk. The borrowings also includes cash credit facilities which carries variable rate of interest.

The Group has very limited exposure to borrowings.

The loan to related party is carried at amortised cost. The Group recovers interest as per the terms of the agreement. The interest rate approximates the market rate of interest and hence the interest risk for loan given to related party is not considered to be substantial.

43 (B) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to pay out obligations. Due to the dynamic nature of the underlying businesses, Group ensures availability of funds by managing the investments.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this. The Group invests its surplus funds in bank fixed deposit and in quoted government debt securities.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

The table below provides details regarding the contractual maturities of significant financial liabilities on undiscounted basis:

Particulars	Carrying Amount	0-1 years	1 -2 years	2-5 years	5 years & above
As at March 31, 2026					
Lease Liabilities	29.1	4.8	-	24.3	-
TOTAL	**29.1**	**4.8**	**-**	**24.3**	**-**
As at March 31, 2025					
Lease Liabilities	69.2	63.4		5.8	-
TOTAL	**69.2**	**63.4**	**-**	**5.8**	**-**

All the financial liabilities are due within 12 months. The carrying value of all the financial liabilities as on respective dates is considered as its maturity value since the impact of discounting is not significant.

43 (C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Credit risk management

For banks and financial institutions, only high rated banks/institutions are accepted.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

The definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. All receivables past due are analysed and based on scrutiny provisions for Bad Debts are made on specific identification basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk , being the total of the carrying amount of balances with bank, short term deposits with banks, trade receivables and other financial assets is disclosed at the end of the each reporting period. Refer relevant notes for details.

Financial assets that are neither past due nor impaired

None of the Group's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications at the end of each reporting period, that defaults in payment obligations will occur.

The Group follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impair-

Notes to the Consolidated Financial Statements
As at and for the year ended March 31, 2026 (Contd.)

ment loss on financial assets measured at amortised cost other than trade receivables. The Group follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

The ageing of trade receivable as on consolidated balance sheet date is given below. The age analysis has been considered from the date when the invoices were due for payment.

Particulars	As at March 31, 2026			As at March 31, 2025		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due (Including unbilled)	4,760.5	-	4,760.5	7,296.1	-	7,296.1
Overdue up to 3 months	2,353.9	-	2,353.9	1,253.2	-	1,253.2
Overdue 3-6 months	34.6	(29.5)	5.1	(31.9)	(31.9)	(63.8)
Overdue more than 6 months	108.9	(60.7)	48.2	229.8	(229.8)	-
	7,257.9	**(90.2)**	**7,167.7**	**8,747.2**	**(261.7)**	**8,485.5**

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables:

Particulars	March 31, 2026	March 31, 2025
At the beginning of the year	261.7	224.6
Loss allowance created during the year	78.4	37.1
Transfer under the scheme of arrangement (Refer note 38)		
Loss allowance reversed during the year	(69.1)	-
At the end of the year	**90.2**	**261.7**

44 Capital Management

(a) Risk management

The Group's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

  In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

  The Group determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings.

V. Risk exposure

Through its defined benefit plans, the Group is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility

The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimise risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

return in excess of the discount rate and contribute to the plan deficit. The Group has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The Group intends to maintain the above investment mix in the continuing years.

Changes in bond yields

A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The Group ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

Within this framework, the Group's ALM objective is to match assets to the gratuity obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.
The Group actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The Group has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

45 Share based payments

SKF's Performance Share Programme

Aktiebolaget SKF (AB SKF), Sweden the ultimate holding company, as part of its Performance Share Program (PSP) offers stock awards to selected employees of its subsidiaries.

The shares of AB SKF, Sweden are listed with Nasdaq Stockholm Stock Exchange, Sweden. The awards issued are vested for a period of 3 years from the date of grant depending on the performance conditions. The terms and other conditions applicable to each award granted under the PSP are generally determined by the Group Management of AB SKF. The programme covers senior managers and key employees in the SKF Group, including Group Management, with the opportunity of being allotted, free of charge, SKF shares of series B. Under the programme, no more than 1,000,000 SKF shares of series B, may be allotted. Fulfilment % is decided by the Group Management based on the performance conditions met. The number of shares definitively vested will be calculated according to the fulfilment %.

The Annual General Meeting 2025 decided on SKF's Performance Share Programme 2025. The programme covers senior managers and key employees in the SKF Group, including Group Management, with an opportunity of being allotted, free of charge, SKF's B shares. Under the programme, not more than 1,000,000 SKF's B shares may be allotted. The allotment of shares shall be related to the level of achievement of the total value added (TVA) target, as defined by the Board of Directors, and the SKF Group's CDP Climate Change score. The TVA performance measure is weighted 80% and the CDP Climate Change score performance measure is weighted 20%. The performance period is three years. Over the three-year programme period, the TVA performance target range is set annually by the Board against the baseline of the actual TVA achieved in the previous year. In order for allocation of shares to take place the average TVA development must exceed a certain minimum level (the threshold level). In addition to the threshold level, a target level is set. Maximum allotment is awarded if the target level is reached or exceeded.

10% of the maximum allocation is based on the reduction of CO_2e emissions. After the expiry of the financial year 2025, a comparison will be made of the level of CO_2e emissions reduction achieved during the programme period and the net zero 2030 objective trajectory. If the trajectory reduction level is met or exceeded full allotment is awarded, i.e. 10% of the total maximum allotment under the programme. If the reduction does not meet the trajectory level, no allotment is awarded in relation to this part of the programme.

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As at and for the year ended March 31, 2026 (Contd.)

The CDP Climate Change score is based on an extensive questionnaire requiring disclosure and performance in the 11 different categories.

- Performance Categories
- Business strategy, financial planning & scenario analysis
- Emissions reduction initiatives
- Energy
- Governance
- Opportunity disclosure
- Risk disclosure
- Risk management processes
- Scope 1 & 2 emissions
- Scope 3 emissions
- Targets
- Value chain engagement"

This comprehensive assessment and the resulting score are known across the investor and customer communities as a credible third-party view on companies' approaches to climate change.

The score ranges from A (leadership level) to D- (disclosure level). SKF received an A- score in 2025.

This is higher than the latest available average scores for Europe (B) and the metal product manufacturing sector (C). The overall performance achievement for the CDP Climate Change score is the weighted average of the annual performance achievement, based on the criteria in the table. For example, if SKF's CDP score is B in year 1, A- in year 2 and A in year 3, the overall performance achievement for the full programme period is 75% ((50%+75%+100%) / 3).

CDP Climate Change score	Performance achievement
A	100%
A-	75%
B	50%
<B	0%

The CDP Climate Change score performance measure has a number of advantages:

- It covers all aspects of SKF's climate change approach.
- All functions in SKF have the potential to contribute to the achievement.
- The score is set by an external party and the bar is raised every year, reflecting increasing stakeholder expectations. Performance achievement will require continuous improvements.
- A well-recognized way of scoring how successful SKF is in the climate improvement work and is easy to compare with other companies using CDP-scoring.

Provided that the TVA increase reaches the target level and that the Net Zero 2030 objective is met, the participants of the programme may be allotted the following maximum number of shares per person within the various key groups:

- CEO and President: shares corresponding to a value of 75% of the fixed base salary
- Other members of Group Management: shares corresponding to 55% of the fixed base salary or 13,000 shares, whichever is higher
- Managers of large business units and similar: 4,500 shares
- Other senior managers: 3,000 shares
- Other key persons: 1,250 shares

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The share-based compensation programmes of the Group are mainly equity-settled through the SKF Group's Performance Share programmes.

The fair value of the SKF's B share at grant date is calculated as the market value of the share excluding the present value of expected dividend payments for the next three years. Allotment of shares under SKF's Performance Share Programme requires that the persons covered by each of the programmes are employed in the SKF Group during the entire three year calculation period.

A. The inputs used in the measurement of the fair values at grant date of the stock awards were as follows:

Grant Date	30-Apr-23	30-Apr-24	30-Apr-25
Exercise Price (SEK)	-	-	-
Exercise Price in equivalent INR*	-	-	-
Expected Volatility	2.17%	0.19%	0.60%
	3.7%	**3.2%**	**3.2%**
Expected Life	NA	NA	NA
Risk Free Interest Rate	2.6%	2.1%	2.2%
Fair Value per share (SEK)	183.0	230.0	189.6
Fair Value per share in equivalent INR*	1,426.3	1,967.5	1,865.6
Awards Exercisable at the end of the year	12,538.2	6,128.2	4,621.2

** Converted into INR using exchange rate 8.55*

B. The following share based payment arrangements were in existence during the current and previous year:

Award Series /Stock Awards	Number	Grant Date	Expiry Date/Year	Fair Value at grant date (SEK)	Equivalent Fair Value INR*
PSP2023	10,250	30-Apr-23	2026	183.0	1,426.3
PSP2024	11,500	30-Apr-24	2027	230.0	1,967.5
PSP2025	5,750	30-Apr-25	2028	189.6	1,865.6

**Converted using exchange rate 8.55*

C. Movement in stock awards during the year

Particulars	Employee Stock Award Plan			
	March 31, 2026		March 31, 2025	
	No. of Awards	Weighted Average Exercise Price	No. of Awards	Weighted Average Exercise Price
Balance at the beginning of year	28,813	NA	23,632	NA
Transfer on account of scheme of demerger	(14,416)			
Granted during the year	17,250		78,980	
Adjustment during the year*	(16,775)		(63,299)	
Forfeited during the year	-		-	
Exercised during the year	(10,250)		(10,500)	
Expired during the year	-		-	
Balance at end of year	4,622		28,813	

**Represents adjustments made by AB SKF, the erstwhile ultimate holding company, pursuant to realignment of employees' entitlement in accordance with the fulfilment %.*

Since the plan is administered and controlled by the Holding Company, the above information is presented only to the extent available with the Company.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

46 Additional regulatory information required by Schedule III

(i) Details of benami property held

No proceedings have been initiated on or are pending against the Group under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) Borrowing secured against current assets

The Group has no borrowings from banks and financial institutions except for working capital limit sanctioned from banks.

(iii) Wilful defaulter

The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(iv) Relationship with struck off companies

The Group has no transactions with the companies struck off under Companies Act, 2013.

(v) Compliance with number of layers of companies

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(vi) Compliance with approved scheme(s) of arrangements

During the year, the Group vide its Board meeting held on 26 December 2024, basis the recommendation of Audit Committee and Independent Directors, approved the scheme of arrangements of the Group, SKF India (Industrial) Limited ("SKFIIL") (a wholly owned subsidiary of the Group, which was incorporated on 17 December 2024) and their respective shareholders and creditors, providing for the demerger of the Group's Industrial Business to SKFIIL ("Proposed Transaction") in compliance with sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

Pursuant to this, the Group has received 'no adverse observations' and 'no objection' from BSE Limited and National Stock Exchange of India Limited, respectively. The Proposed Transaction is, inter alia, subject to receipt of requisite approvals from the statutory and regulatory authorities, including the approval from the shareholders and creditors of the Group and Hon'ble National Group Law Tribunal.

As the Demerger has completed in this financial year, the scheme has been given effect to in these financial results w.e.f October 1, 2025."

(vii) Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b. provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(viii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

(ix) Details of crypto currency or virtual currency

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(x) Valuation of Property Plant and Equipment, intangible asset and investment property

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year. All immovable property (including leases) are in the name of Group, except as disclosed in note no. 3(a)

47 The Company has facility from banks for

The Company has unsecured sanctioned facility (Fund and non-fund based) amounting to INR 1,729.4 Million (March 31, 2025 - INR 1,729.4 Million) and INR 5 Million (March 31, 2025 - INR 5 Million). The Company has not utilized fund based facility (working capital/working capital demand loan) at any time during the year.

48 “SKF India (Industrial) Limited (“Subsidiary” upto 30 September 2025) did not have accounting system for maintaining its books of accounts and being maintained manually in a Microsoft Excel file for the period December 17, 2024 to March 31, 2025 and April 01, 2025 to September 30, 2025. The Company had very minimal transactions and was in the process of setting-up of its operations.

Further on, for the period December 17, 2024 to March 31, 2025 and April 1, 2025 to September 30, 2025 (included in year ended March 31, 2026), as reported and included in these consolidated financial statement. Hence, considering the limited operations, the subsidairy did not have physical server in India for maintaining backup.
Furthermore, in respect of Sunstrength Renewables Private Limited (“associate”), as reported by the other auditor, the accounting software for maintaining its books of account for the year ended March 31, 2026 which has a feature of recording audit trail (edit log) facility and the audit trail feature at the application level has operated throughout the year for all relevant transactions recorded in the software. However, other auditor is unable to comment on audit trail feature of the said software at the database level to log any direct data changes.

48A Financial Ratios

Ratio	Numerator	Denominator	Current year	Previous year	Variance %	Remarks for variance more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	2.1	2.8	(26.9%)	Not Applicable*
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.00	0.00	(17.8%)	Not Applicable*
"Debt service coverage ratio (in times)"	Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments	58.2	83.9	(30.7%)	Not Applicable*
Return on equity ratio (in %)	Profit for the year	Average total equity ((Opening + Closing)/2)	13.5%	21.4%	(36.8%)	Not Applicable*
Inventory turnover ratio	Cost of goods sold	Average Inventory ((Opening + Closing)/2)	3.8	3.9	(2.6%)	Not Applicable*
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables ((Opening + Closing)/2)	4.8	6.2	(21.8%)	Not Applicable*

Notes to the Consolidated Financial Statements

As at and for the year ended March 31, 2026 (Contd.)

Ratio	Numerator	Denominator	Current year	Previous year	Variance %	Remarks for variance more than 25%
"Trade payables turnover ratio (in times)"	Cost of goods sold	Average trade payables ((Opening + Closing)/2)	3.7	4.4	(15.0%)	Not Applicable*
"Net Capital turnover ratio (in times)"	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	5.0	3.0	68.7%	Not Applicable*
Net profit ratio (in %)	Profit for the year	Revenue from operations	7.1%	11.5%	(38.6%)	Not Applicable*
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities	35.8%	29.3%	22.1%	Not Applicable*
Return on investment (in %)	Profit before tax and finance costs	Average total assets ((Opening + Closing)/2)	16.9%	21.2%	(20.1%)	Not Applicable*

**As a result of Scheme become effective (refer note 38), the assets and liabilities as presented as at March 31, 2026 reflect the impact of the Scheme and are accordingly not comparable with those as at March 31, 2025. Hence, ratios are not comparable.*

49. The figures for the previous year have been regrouped/reclassified wherever necessary to confirm to the current year's presentation.

For and on behalf of the Board of Directors of

Gopal Subramanyam
Chairman
DIN : 06684319
Place : Pune
Date: May 13, 2026

Shailesh Sharma
Managing Director
DIN : 09493881
Place : Pune
Date: May 13, 2026

Aashi Arora
Chief Financial Officer
PAN : ALXPA2307E
Place : Pune
Date: May 13, 2026

Mayuri Kulkarni
Company Secretary
PAN : AOMPJ3894H
Place : Pune
Date: May 13, 2026

Notes

Notes

SKF India Limited

Registered Office
Chinchwad, Pune - 411 033, Maharashtra, India
CIN: L29130PN1961PLC213113