Date: 09th July 2025

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: **Annual Report for the Financial Year 2024-25 along with Notice of 64th Annual General Meeting.**

Dear Sir/Mam,

This is in continuation to our intimation dated 15th May 2025 and 25th June 2025, we would like to inform that the 64th Annual General Meeting("AGM") of the members of the Company is scheduled to be held on **Wednesday, 06th August 2025, at 2:00 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 2024-25** which has been sent through electronic mode to the members whose email addresses are registered with the Company's Registrar and Share Transfer Agent / Depositories as on Friday, 04th July 2025. It is also available on the website of the Company at below-mentioned link:

https://cdn.skfmediahub.skf.com/api/public/099b2532e4232b46/pdf_preview_medium/099b2532e4232b46_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 2024-25, 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, 04th July 2025, 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, 04th July 2025,** for determining eligibility/entitlement of members to receive the final dividend for the Financial Year 2024-25, if declared and approved by the shareholders at the ensuing 64th 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

Wednesday, 30th July 2025 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 **Saturday, 02nd August 2025 (9:00 a.m. IST)** and ends on **Tuesday, 05th August 2025 (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 FY 2024-25 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

RANJAN KUMAR

Digitally signed by RANJAN KUMAR
DN: cn=RANJAN KUMAR, o=Personal, email=RANJAN.KUMAR@SKF.COM
Date: 2025.07.09 22:06:16 +05'30'

Ranjan Kumar
Company Secretary & Compliance Officer

Annexure - 1

LESS FRICTION. MORE PROGRESS.

Annual Report 2024-25

ACROSS THE PAGES

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Taking a leap.
Into the future.

Page
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What differentiates
SKF India

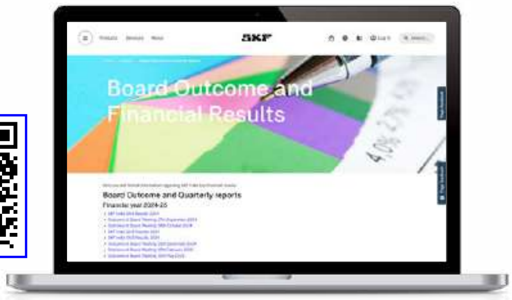
INVESTOR INFORMATION

Market capitalisation as at 31st March, 2025	INR 19,021.5 Crores
CIN	L29130PN1961PLC213113
BSE	500472
ISIN No.	INE640A01023
Bloomberg code	SKF:IN
Rate of dividend	145%
AGM date	06th August, 2025
AGM mode	Video Conferencing (VC) Other Audio-Visual Means (OAVM)

Disclaimer

This document 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 the Company 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. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

For more investor-related information, please visit – https://www.skf.com/in/investors/financial-results
Or simply scan



LESS FRICTION. MORE PROGRESS.

We believe progress begins when friction ends. Whether in machines, operations, relationships, or ideas, eliminating friction unlocks momentum. Our new identity reflects this mindset - Less Friction. More Progress. It captures how we are simplifying complexity, streamlining operations, and driving impact across every part of our business.

In FY 2024-25, SKF India advanced across all pillars - engineering excellence, customer focus, sustainability, and innovation. We moved toward leaner operations, greener factories, smarter solutions, and deeper partnerships. The outcome - Lower friction, more responsiveness. Less drag, more delivery.

This idea of less friction extends well beyond bearings. It is about reducing barriers between insight and action, between demand and supply, between ambition and achievement. From AI-powered inspections that eliminate defects to digital tools that enhance customer connections, and sustainability efforts that reduce our environmental footprint, every initiative is designed to enable faster, smoother, and more meaningful progress.

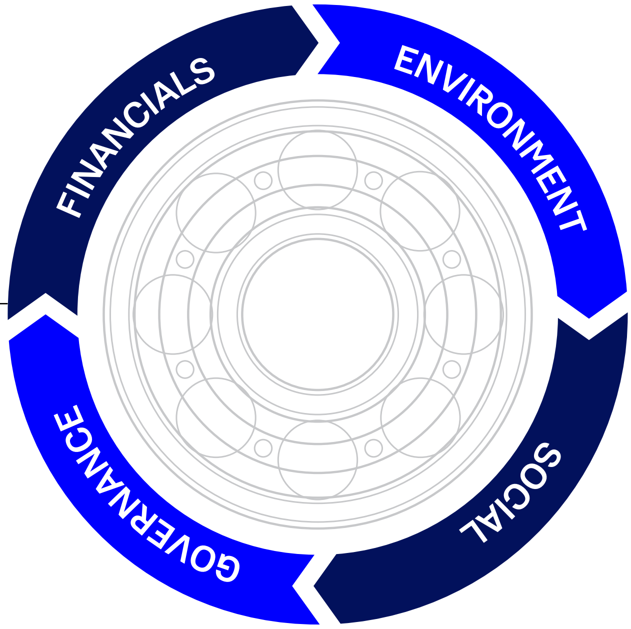
By adopting new technologies, strengthening local capabilities, and nurturing inclusive, high-performing teams, we are reshaping how SKF India operates and building a future where growth is seamless, responsible, and inclusive.

With every rotation we optimise, every process we refine, and every partnership we nurture, we are fulfilling our commitment - Less Friction. More Progress.

SKF

Report card FY 2024-25

GROWTH. PURPOSE. PROGRESS.



Financials

INR **49,199.2** Million
Revenue from operations

INR **48,305** Million
Net sales

INR **5,658.1** Million
Profit after tax

INR **17.5%**
EBITDA margin

INR **114.4**
Earnings per Share

INR **525.5**
Book value per share

21.4%
Return of net worth

29.3%
Return on capital employed (RoCE)

INR **14.5**
Dividend

145%
Return on dividend

Environment

50 MW
Green power generating capacity

44.26 GWh
Green energy sourced

0.09 tCO_2e/1,000 bearings
GHG emissions intensity (scope 1 and scope 2)

64,268 M^3
Water recycled and reused

59.3%
Waste recycled

Social

INR **135.44** Million
CSR expenditure

78,178 Lives
Impacted through our CSR programmes

187
New employees hired

19.10
Employee training hours

100%
Retention rate of employees

0.28
LTIFR

25
Suppliers were upgraded under the ethical sourcing and code of conduct (coc) compliance framework

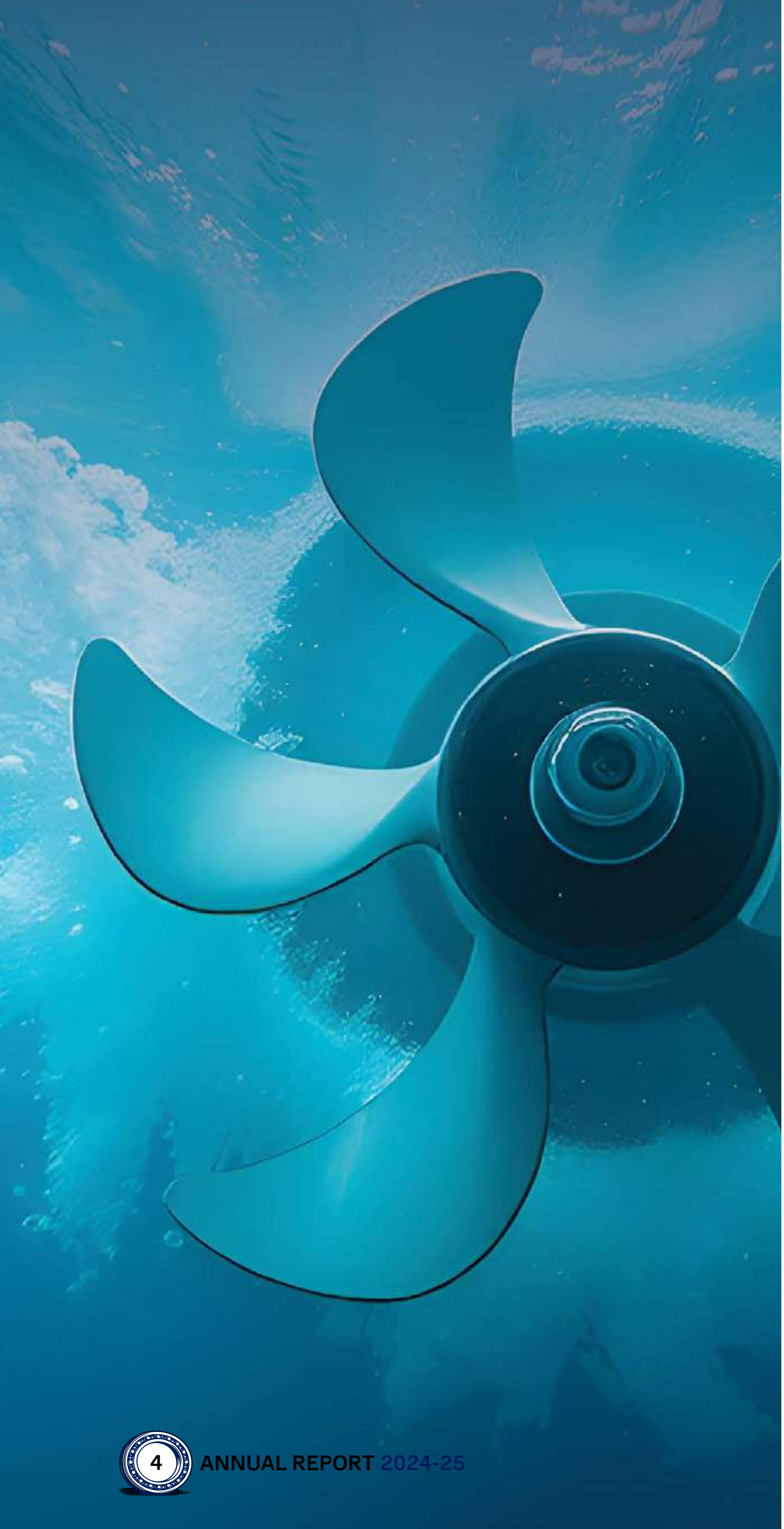
Governance

2
Independent Directors

66,264
Shareholders

33%
Women representation on the Board

OUR PURPOSE, VALUES AND CULTURE



How do Purpose, Strategy, and Culture connect?

Our **Purpose** defines and guides **WHY** we are doing what we do.

The **Strategy** and **Leadership Expectations** are **WHAT** we do to lead the business, ourselves, and others.

Our **Values** and **Leadership** describe **HOW** we will act and show up when we do things. This drives our SKF culture towards becoming a purpose-driven organisation.

To help us embed our Purpose and create awareness of our evolved values, we are implementing the **SKF Culture Wheel**.

The value of values - 4Cs for impact

Use our values to guide you in your everyday work, in decision making, and in doing business.

We work this way to positively impact our customers, our teams, and our communities.

What do they mean?

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

Together we...

Collaboration

This is 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

This 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 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 Culture Wheel

Culture is beyond just our values. It encompasses many aspects such as our ability to learn, transformation capabilities, and embedding our purpose and values.

The SKF Culture Wheel is an important part of the *Purpose* activation and overall drive to transform SKF's culture towards being a purpose-driven organisation.

At SKF, we believe we are all leaders, and leaders are responsible for *Purpose* and *Culture*.

Our *Culture* is underpinned by our *Values* and therefore the Culture Wheel focuses on a specific part of the Purpose statement linked to an underpinning Value.

The Culture Wheel should assist leaders in driving Purpose and Culture and should be '... a model for inspiration and ease of replication' ~ Aline Novaes, Purpose Director.

The Culture Wheel acts as a guide and aims to provide inspiration and a toolbox for PX and managers, but regions can of course implement their own activities and

Q4:

... for a better tomorrow

Q1:

Together, we

Q3:

... rotation

Q2:

... re-imagine

ABOUT SKF INDIA

SKF India Limited (also referred to as 'SKF India', 'We' or 'The Company') has been a trusted name in motion technologies since 1961. We have, since, been actively driving industrial and automotive innovation. From our beginning as a ball bearing manufacturer, we have evolved into one of India's leading providers of advanced bearings, engineering services, and rotating equipment solutions. Thus, driving smarter, more efficient industries nationwide.

Today, we are reaffirming our commitment to delivering intelligent, clean, and performance-driven solutions that align with a rapidly changing world. This refreshed identity reflects our transformation into a forward-looking, digitally empowered, and sustainability-focussed organisation, one that's not only keeping pace with change but actively driving it.

Our core strength lies in advancing technologies that reduce friction, enhance energy efficiency, and extend equipment lifespan. Through these innovations, we enable our customers to build greater resilience, strengthen their competitiveness, and also contribute to a more sustainable future.

Behind our every solution stands a team of passionate professionals - guided by strong leadership, rooted in purpose, and driven by enduring values. Together, we are not just moving machinery; we are moving industries forward with responsibility, precision, and progress at the core of everything we do.

01

What we offer

Innovative solutions to reduce friction, improve productivity, achieve energy efficiency, increase equipment longevity and reliability across industries.

02

What we are focussed on

Delivering responsible growth by aligning with customer needs and transforming the business landscape.

03

What we believe in

Engaging meaningfully with our stakeholders to enable inclusive growth for all.

04

What drives our journey

Our vision

A world of sustainable rotation.

Our stature

3
State-of-the-art manufacturing facilities

441
Distributors

4
Offices

1,727
Employees

Our journey

EVOLUTION. EXPANSION. EXCELLENCE.

From our earliest bearings to today's intelligent solutions, our milestones trace a path defined by precision, performance, and a deep-rooted dedication to our customers.

1907

Originally founded by Sven Wingquist following his invention of the self-aligning ball bearing

1923

Started the trading operations in then Calcutta (now Kolkata)

1961

Incorporated the 'Associated Bearing Company'

2021

Inaugurated a Remanufacturing Centre in the Ahmedabad factory to contribute to sustainability and circularity goals

2022

Installed state-of-the-art facilities for the Truck Hub Unit (THU) Pune plant

2023

- Pune and Bengaluru factories got certified under SPS Phase 2
- Installed new DGBB channel at Pune factory

2024

Installed new HUB1 channel in Pune factory

2025

- Addition of capacity on HUB1T (Taper HUB Bearing) Pune Plant
- Installation of new channel for UC Insert bearing Pune Plant
- Addition of capacity for CRB at Bangalore Plant
- Refreshed brand identity in March, 2025

2012

Established Seals factory in Mysore to serve customers within the automotive, railway, and industrial application segments

2011

Opened a Global Technical Centre in Bengaluru for end-to-end engineering and technology solutions

2010

Opened two new factories in Haridwar and Ahmedabad to meet the growing demand in India across the automotive and industrial segments

1964

Started the first factory in Pune for the manufacturing of rolling bearings

1989

Started the second factory in Bengaluru to meet the needs of customers in India and abroad

2004

Inaugurated an Application Development Centre in Bengaluru to support local customer needs

What differentiates SKF India

STRENGTH. STRATEGY. GROWTH.

SKF India stands at the intersection of legacy and innovation as one of the country's foremost motion technology companies. With over six decades of local experience and a century of global engineering excellence, we continue to deliver differentiated value by staying closely aligned with customer needs, industry shifts, and the nation's broader development agenda.

Our strategy is anchored in harnessing targeted opportunities to drive profitable growth, guided by technology leadership, operational excellence, and a deep-rooted commitment to sustainability.

Targeting high-impact segments with scale and speed

With a portfolio spanning bearings, seals, lubrication systems, and condition monitoring, SKF India serves over 40 industries with strong application expertise and broad market reach. This enables us to scale efficiently across high-growth sectors such as railways, renewable energy, electric mobility, and industrial automation.

We continue to strengthen our presence in areas aligned with global megatrends including electrification, energy efficiency, digitalisation, and regionalisation, delivering sustained value across both industrial and automotive segments.

Digitalisation is more than a technology shift; it is a shift in mindset. It is transforming how we operate by reducing lead times, optimising inventory, and improving efficiency across the value chain.

We are building a more connected and intelligent SKF that makes it easier for customers to work with us and enables faster, data-driven decisions across our operations. This practical approach to digital transformation is enhancing current performance and preparing us for future opportunities.

Innovating for the next frontier

Electrification is reshaping industries globally, with the automotive sector at the forefront. The rise of electric vehicles (EVs) brings clear benefits—from enhanced energy security and improved air quality to lower emissions and reduced noise pollution. At SKF, we are proud to contribute to this transformation with a portfolio engineered to meet the evolving needs of electrified mobility.

Our high-performance solutions enhance the efficiency and reliability of e-powertrain systems, with bearings playing a vital role in ensuring durability, reduced friction, and optimal performance. Through our deep expertise, we support the shift toward cleaner, quieter, and more sustainable mobility.

Innovation is at the core of our strategy, reflected in our ongoing efforts to reshape the bearing ecosystem through:

- Advanced e-powertrain solutions for EVs
- Predictive maintenance tools like IMx and Microlog
- Digital platforms for real-time support and inventory optimisation
- Circular offerings such as remanufacturing and RecondOil to extend product life and reduce waste

Our R&D and Application Engineering teams in India work in close alignment with global centres to deliver locally adapted, high-performance solutions. This integrated approach reinforces our position as a trusted technical partner across multiple industry segments.

To know more about 'Consistent Innovation'
Please read on 52

Powered by local manufacturing and a regionalised model

In a rapidly evolving global landscape, proximity to customers is key. At SKF, we are strengthening regional capabilities through automation, local manufacturing, and market-specific product development. This enhances responsiveness, reduces supply chain risk, and drives profitable growth in a complex environment.

Our advanced manufacturing facilities in Pune, Bengaluru and Haridwar enable fast, flexible, and cost-efficient delivery. A strong local footprint helps us adapt quickly to customer needs while reducing logistics dependence.

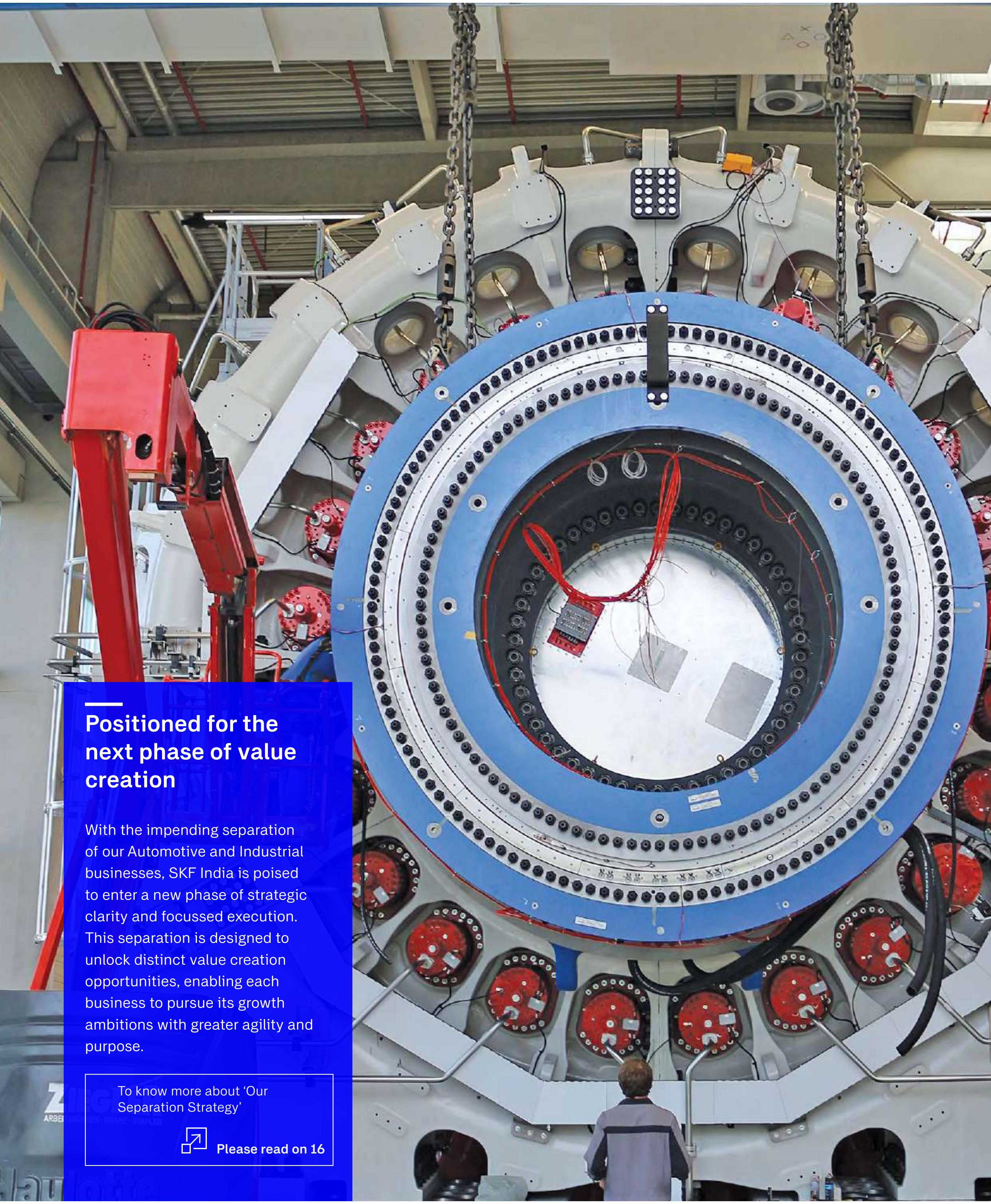
By deepening localisation and building a resilient supplier ecosystem, we align with India's vision of self-reliant manufacturing. Our efforts support national priorities such as Make in India and Aatmanirbhar Bharat, while reinforcing SKF's position as a trusted partner in industrial transformation.

Transforming customer experience through connected platforms

We are elevating customer experience by building deeper, more meaningful relationships with end users. Through smart digital platforms like App ka Humsafar, WhatsApp outreach, and loyalty programmes such as RPP and MPP, we are delivering personalised support, faster service, and seamless engagement. These initiatives enable us to proactively understand and respond to the evolving needs of mechanics, retailers, and distributors — enhancing trust, transparency, and satisfaction at every touchpoint.

To know more about how we are 'Enhancing customer experience'
Please read on 60

SKF



Positioned for the next phase of value creation

With the impending separation of our Automotive and Industrial businesses, SKF India is poised to enter a new phase of strategic clarity and focussed execution. This separation is designed to unlock distinct value creation opportunities, enabling each business to pursue its growth ambitions with greater agility and purpose.

To know more about 'Our Separation Strategy'
Please read on 16

Delivering long-term value through margin focus and capital discipline

Our strategy is not just about top-line growth – it is about profitable, capital-efficient growth.

We have consistently improved margins through portfolio optimisation, pricing initiatives, and operational efficiency.

Our lean structure and focussed execution helped us maintain margin resilience despite market volatility.

We are investing in next-generation capabilities while maintaining strong cash flows and a robust balance sheet.

This disciplined approach has translated into consistent shareholder returns and a reputation for dividend reliability.

Advancing sustainability goals with real results

As the climate crisis deepens, the shift toward resource-efficient and circular business models is more urgent than ever. At SKF, sustainability is not just a priority—it is a responsibility embedded in everything we do. We support our customers in their transition to a circular economy through solutions like condition monitoring, rotation as a service, and remanufacturing. These offerings extend equipment life, reduce waste, and enhance operational efficiency.

Within our own operations, we are actively reducing CO_2e emissions across factories and the supply chain—underscoring our long-term commitment to environmental stewardship. Sustainability drives how we think, innovate, and create lasting value.

SKF India has been a frontrunner in industrial sustainability. Our Bengaluru facility became the first in SKF globally to be certified Water Neutral, reflecting our proactive approach. Through initiatives such as IREC-based virtual power purchase agreements and site-wide energy optimisation, we are advancing steadily toward our RE100 and Net Zero goals.

Strategic Pillars

- Climate Transformation
- Circularity
- Responsible Business

To know more about 'Environmental Stewardship' Please read on 70

SKF

OUR BUSINESS AREAS

INDUSTRIAL

SKF's offering

- Serving over 40 industries globally; in India, we have a network of more than 120 distributors
- Offering a diverse product range of bearings, seals, and lubrication systems
- Rotating shaft services and solutions for machine health assessment, reliability engineering, and remanufacturing

SKF's position

- Leading position in industries such as railways, heavy industries and industrial distribution market, and a prominent position in other industries

Market drivers

- Reliable rotation is critical for many industries to function optimally
- Climate change and sustainability are key drivers that significantly impact the industries we serve
- Other drivers vary from application to application – low friction and energy consumption, maintenance-free solutions, and total cost of ownership
- Digitalisation enables monitoring and predictive maintenance throughout the product life cycle

AUTOMOTIVE

SKF's offering

- Providing customised bearings, seals, and related products for e-powertrain, wheel-end, driveline, engine, suspension, and steering applications to manufacturers of electrical vehicles, cars, light and heavy trucks, trailers, buses, and two-wheelers
- Supplying the vehicle aftermarket with spare parts, both directly and indirectly through a network of more than 321 distributors

SKF's position

- Among the leading developers of components for automotive electrification and wheel-end solutions
- Strong position in application-driven powertrain solutions
- Strong position in the aftermarket with an extensive distribution network

Market drivers

- The light vehicle market – electrification, energy efficiency, and emission reduction
- The truck market – total cost of ownership, connectivity, and integrated systems
- The aftermarket – changing buying patterns, new channels, product performance, and cost optimisation

Our separation strategy

UNLOCKING THE POWER OF TWO

SKF is turning a new chapter in its century-long legacy of engineering excellence with a decisive, future-forward step – the strategic move of separation of its Automotive and Industrial businesses into two independent, fit-for-purpose global entities. Announced by the SKF Group and endorsed by the Board of SKF India Limited, this landmark decision underscores our commitment to creating sharper strategic focus, enhanced agility, and accelerated value creation across two distinct growth landscapes.

The business case is clear. The Automotive and Industrial segments serve different markets, operate on different innovation cycles, and require different investment strategies. By enabling each business to stand independently, we are allowing them to tailor their strategic priorities, operate with speed, and better serve their customer ecosystems.

SKF India's alignment

The Board of SKF India Limited has approved the scheme of arrangement. As part of this, the industrial business will be transferred to a newly incorporated wholly owned subsidiary named SKF India (Industrial) Limited with an authorised share capital of INR 15 Lakhs. The proposed demerger structure aligns with the Group's global direction and sets a foundation for market leadership in both segments.

A Corporate Restructuring Committee has been formed to oversee the process, ensuring compliance with all statutory requirements and seamless execution in alignment with shareholder interests.

This represents more than just a separation; it signifies a recalibration of purpose and a repositioning for the future. With a clear focus and a renewed sense of direction, SKF is poised to deliver enhanced value, foster deeper customer engagement, and drive sharper innovation along two parallel tracks of global growth.

What does it mean for the Automotive Business?

This independence provides a transformative advantage. As the global automotive sector shifts toward electrification, digitalisation, and mobility innovation, the capacity to act swiftly, invest confidently, and innovate persistently becomes essential. A standalone automotive business enables us to –

- Deepen our position in the fast-evolving e-mobility market
- Accelerate innovation tailored to OEM and Tier 1 customers
- Simplify decision-making and shorten time-to-market

Since 2022, SKF has been steadily carving a more autonomous path for its automotive operations. In India, the demerger will enable the automotive business to make independent decisions and align more closely with global innovation trends, supplier ecosystems, and customer expectations.

What does it mean for the Industrial Business?

The demerger paves the way for us to concentrate more intently on essential sectors, including aerospace, railways, food and beverage, and high-speed machinery. By streamlining our operations, we intend to –

- Grow faster across industrial segments
- Deliver greater customer value through specialised innovation
- Strengthen our role as a globally trusted industrial technology leader

The new structure will bring operations closer to industrial customers, fostering speed, efficiency, and responsiveness while continuing to lead with high-quality and sustainable solutions.

> This isn't just a financial move. It's a strategic transformation. By enabling sharper strategies, clearer accountability, and customer-first execution, we are setting both businesses up for long-term success.
>
> *SKF India Leadership*

Awards and accolades

ACHIEVEMENT. HONOUR. PROGRESS.

QCFI '**Energy Conservation - 2024**' Bhosari Factory Maintenance (Case Study) – Gold Award

QCFI '**Energy Conservation – 2024**' Bhosari Factory Maintenance (Case Study) – Gold Award

QCFI '**Energy Conservation – 2024**' Bhosari Factory Maintenance (Slogan) – Gold Award

CII '**CII National 3M Competition**' Online Resetting Team – Gold Award

CII '**CII National 3M Competition**' Online Factory Maintenance Team – Gold Award

CII '**49th National Kaizen Competition - 2024 Bengaluru**' Resetting Team - Platinum Award

QCFI '**39th CCQC Kaizen Competition**' Bhosari Factory Maintenance Team (Case Study) – Gold Award

QCFI '**39th CCQC Kaizen Competition**' Bhosari Factory Resetting Team (Case Study) – Gold Award

QCFI '**39th CCQC Kaizen Competition**' Bhosari SHO Team (Case Study) – Gold Award

CII '**Challenger Trophy 3M Muda**' Online Factory Maintenance Team – Jury Challenger

CII '**Challenger Trophy 3M Muda**' Online HUB Team – Jury Challenger

CII '**Champion Trophy MURI Category**' Online TRB Team – Jury Champion Award

NCQC '**38th National Convention on Quality Concepts**' NCQC - 2024' Gwalior – Allied kaizen – Factory Maintenance Team - Excellence Award

NCQC '**38th National Convention on Quality Concepts**' NCQC - 2024' Gwalior – Allied kaizen – Factory Resetting Team – Par Excellence Award

SCHMRD '**Corporate Excellence Award-2025**' Pune - Factory Maintenance (Maintenance Challenger) – Winner Award

CII '**51St CII National Kaizen Competition**' – Online – Factory Resetting Team – Platinum Award

CII '**10th National Competition on Low-Cost Automation (LCA) - Leveraging Low-Cost Digitalisation**" – Online – Factory Maintenance – Platinum Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – Kushal Team – Gold Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – TRB (Poster) – Silver Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – Resetting (Poster) – Bronze Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – HUB (Slogan) – Gold Award

17th National 3M Kaizen Competition – Maintenance & Channel – Gold under MUDA Award

17th National 3M Kaizen Competition – Maintenance & Engineering – Gold under MURA Award

17th National 3M Kaizen Competition – Maint & Resetting – Gold under MURI Award

48th CII National Competition – Maintenance – Platinum Award

48th CII National Competition – Resetting – Gold Award

48th CII National Competition – Maintenance – Platinum Award

49th National Kaizen Competition – Engineering – Silver Award

33rd Chapter Convention on Quality Concepts – Supply Chain – Gold Award

33rd Chapter Convention on Quality Concepts – Resetting & Engineering – Gold Award

Project – '**Capability Improvement of Bore grinding process**' Quality Circle forum of India – Gold Award – 2024

National convention on quality concepts NCQC by - Gold Award Dec – 2024

'**Participated in 10th convention on quality concepts**' Organised by "Quality circle forum of India Rudrapur - Gold Award - 2024

'**Best supplier quality management**' Award from Honda – FY 2024-25

Super platinum award by Bajaj auto for year – 2024

ICQCC 2024 international convention on Quality control circle Award - 2024

QCF1 kaizen competition and Gold Award in – 2024

National convention on quality concepts NCQC by – Gold Award Jan – 2024

HCCQC 2023-QCF1 Haridwar chapter 13th convention on quality concept - Gold Award

QCFI '**Energy Conservation – 2024**' Bhosari Factory Maintenance (Poster) – Gold Award

QCFI '**Energy Conservation – 2024**' Bhosari Factory Maintenance (Poster) – Gold Award

CII '**CII National 3M Competition**' Online SHO Team – Platinum Award

CII '**49th National Kaizen Competition-2024 Bengaluru**' DGBB Team – Platinum Award

CII '**Digitalisation & Artificial Intelligence for Quality Improvements**' Online – Factory Maintenance Team – Bronze Award

CII '**Digitalisation & Artificial Intelligence for Quality Improvements**' – Online Factory Maintenance Team – Bronze Award

ICQCC '**International Convention on Quality Control Circles**' Colombo, Sri Lanka TRB Team – Gold Award

CII '**Challenger Trophy Innovative Category**' Online – DGBB Team – Jury Challenger

CII '**Challenger Trophy 3M Muri**' Online Resetting Team - Jury Challenger

CII '**Champion Trophy MUDA Category**' Online SHO Team – Jury Champion Award

CII '**Champion Trophy Renovation Category**' Online Factory Resetting Team – Jury Champion Award

NCQC '**38th National Convention on Quality Concepts**' NCQC-2024' Gwalior – Allied kaizen – SHO Team – Excellence Award

SCHMRD '**Corporate Excellence Award-2025**' Pune – Factory Maintenance (Maintenance Challenger) – Winner Award

CII '**51St CII National Kaizen Competition**' – Online – Roller Team – Gold Award

CII '**51St CII National Kaizen Competition**' – Online – BUI Team – Gold Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – DGBB Team – Gold Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – Roller Team – Gold Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – Factory Maintenance (Skit) Team – Gold Award

QCFI – '**Safety Week Competition 2025**' – Bhosari – Factory Maintenance (Slogan) – Gold Award

SMED Competition – Resetting – Gold Award

SMED Competition – Resetting – Platinum Award

48th CII National competition – Channel-5 – Silver Award

Indian Industry Master Mind Quiz – Quality, Engineering, Manufacturing – Participation Award

Indian Industry Master Mind Quiz – Quality, Engineering, Manufacturing & BE – Participation Award

49th National Kaizen Competition – Manufacturing Process Development (MPD) – Silver Award

ICQCC 2024, Sri Lanka – Cross-functional team – Gold Award

'**External kaizen competition QCF1 12th kaizen competition**' winner team Haridwar – Gold Award – 2024

RCCQC-2024- Gold award in QCF1 – 10th convention on quality concept

PUNE

BENGALURU

HARIDWAR

MANAGEMENT REVIEW

At SKF, we make some of the world's most innovative products and solutions to reduce friction. Thus, paving the way for a more energy-efficient future, where achieving more with less becomes possible for all.

Board of Directors

DIRECTION. DISCIPLINE. DELIVERY.

Gopal Subramanyam

Chairman and Non-Executive Independent Director

C C M M M

Gopal Subramanyam has more than four decades of experience in the manufacturing sector business, ranging from high-precision components to heavy machinery. He has served Larsen & Toubro Ltd. for more than three decades. At L&T, he donned leadership roles as the CEO of their Joint Venture companies, namely Hydraulic Components, Construction & Mining Equipment, Thermal Power Plant Equipment, and Machinery for the tyre plants.

His past and current engagements include shepherding the 'Skill India' movement through his deep association with the National Skill Development Corporation (NSDC), L&T Skill Development Mission, and Nettur Technical Training Foundation (NTTF). He is a jury member CII-EXIM Award (based on the EFQM model). He also assists the CII Institute of Quality in its various Business Excellence initiatives.

He is also a Board Member of Titan Engineering & Automation Ltd., a Tata enterprise.

*Skills/expertise/competency matrix in detail mentioned in CG Report

Mukund Vasudevan

Managing Director

C M M

An entrepreneurial and results-oriented executive, Mukund possesses over 30 years of experience across diverse markets like India, Middle East, and USA. His expertise spans P&L management, strategy development, sales, and mergers & acquisitions. This comprehensive background equips him with strong commercial and operational acumen.

Mukund's strategic vision is complemented by his exceptional collaborative leadership. He builds high-performing teams through strong relationships and inspires his colleagues, driving SKF's success in the ISEA region.

*Skills/expertise/competency matrix in detail mentioned in CG Report

Audit · Corporate Social Responsibility · Stakeholders' Relationship · Risk Management

QUALIFICATION

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

SKILLS AND COMPETENCE*

AGE	69
DIRECTOR SINCE	16th May, 2019 (re-appointed w.e.f. 16th May, 2024)
TENURE ON BOARD	5.10 Years
DIN NO.	06684319

QUALIFICATION

Mukund holds a Bachelor of Technology degree from the Indian Institute of Technology Mumbai, and an MBA in Finance and Strategy from the University of Chicago.

SKILLS AND COMPETENCE*

AGE	55
DIRECTOR SINCE	08th April, 2024
TENURE ON BOARD	11 Months (as on 31st March, 2025)
DIN NO.	05146681

● Nomination and Remuneration   (C) Chairman   (M) Member

SKF

Anu Wakhlu

Non-Executive Independent Director

C C M M M

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 the 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.

Anu is a certified Independent Board Director (Hunt Partners). Apart from SKF India Limited, she is also on the Board of Sudarshan Chemicals Industries Limited.

**Skills/expertise/competency matrix mentioned in detail in the CG Report*

Shailesh Sharma

Whole- time Director -
(w.e.f. 13th February 2025)

M

Shailesh Sharma is an accomplished leader at SKF, steering manufacturing, sourcing, and logistics across India and Southeast Asia to deliver exceptional operational excellence. With a remarkable career spanning over 33 years in precision engineering industries, Shailesh brings expertise in manufacturing, engineering, product development, project management, and operations. His strategic vision and tactical acumen consistently drive impactful results for SKF.

Prior to his current role, Shailesh held a seat on the SKF India board as a whole-time director from February 2022 - March, 2024. He also managed Bengaluru and Pune facilities, where he oversaw end-to-end plant operations with a commitment to efficiency and innovation.

**Skills/expertise/competency matrix in detail mentioned in CG Report*

Audit   Corporate Social Responsibility   Stakeholders' Relationship   Risk Management

QUALIFICATION

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

SKILLS AND COMPETENCE*

AGE	67
DIRECTOR SINCE	16th May, 2019 (re-appointed w.e.f. 16th May, 2024)
TENURE ON BOARD	5.10 Years
DIN NO.	00122052

QUALIFICATION

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

SKILLS AND COMPETENCE*

AGE	55
DIRECTOR SINCE	13th February, 2025
TENURE ON BOARD	1.5 Months (As on 31st March, 2025)
DIN NO.	09493881

● Nomination and Remuneration Ⓒ Chairman Ⓜ Member

Kerstin Enochsson

Non-Executive
Non-Independent Director

M

Kerstin Enochsson is President of Automotive Sector. She is ambitious with excellent leadership and people skills. Considerable experiences in supply chain management such as procurement, operations planning, logistics, as well as in sales & marketing, strategy and all areas of OEMs aftermarket business. Drives targets with passion, strong courage and commitment in cross-functional and multicultural environment. Trustworthy and reliable person with high integrity.

**Skills/expertise/competency matrix in detail mentioned in CG Report*

Karl Robin Joakim Landholm

Non-Executive
Non-Independent Director

M

Joakim Landholm is Senior Vice President - Group Operations and Chief Sustainability Officer at SKF, supporting the business across four global geographical regions and two global business areas. He oversees manufacturing development, supply chain, quality, EHS, sustainability, IT and Group strategy.

He has previously served as CEO for Hector Rail (a leading European rail freight provider), as Chief Commercial Officer at Scandinavian Airlines and in leadership positions at RSA and GE Capital. Throughout his career, he has worked extensively on driving large-scale and transformative change in multiple industries, including airlines, logistics, healthcare, financial services, and automotive.

**Skills/expertise/competency matrix in detail mentioned in CG Report*

Audit | Corporate Social Responsibility | Stakeholders' Relationship | Risk Management

QUALIFICATION

Kerstin holds a Master's degree in law from Freie Universität, Berlin, Germany and International Full Time MBA from ESCP-EAP European School of Management, Paris, France.

SKILLS AND COMPETENCE*

AGE	49
DIRECTOR SINCE	17th September, 2024
TENURE ON BOARD	6 Months (as on 31st March, 2025)
DIN NO.	10774889

QUALIFICATION

Joakim is a Swedish Navy Staff College graduate with a Master's degree in Economics and Business Administration from Stockholm School of Economics.

SKILLS AND COMPETENCE*

AGE	56
DIRECTOR SINCE	28th June, 2022
TENURE ON BOARD	2.9 Years
DIN NO.	09651911

● Nomination and Remuneration Ⓒ Chairman Ⓜ Member

MD's message

TAKING A LEAP. INTO THE FUTURE.

WE TOOK BOLD STEPS TO RESHAPE OUR OPERATING MODEL THROUGH ENHANCED AGILITY, STREAMLINING FOCUS, AND UNLOCKING NEW PATHWAYS FOR LONG-TERM VALUE CREATION.

INR **763.1** Crores
Profit Before Tax

INR **4,919.9** Crores
Revenue

Dear Stakeholders,

It is with pride that I present SKF India's Annual Report for FY 2024-25. This was a year of disciplined transformation, guided by the belief that progress lies in reducing friction across machines, processes, and decisions. Less waste, less complexity, and more impact defined our approach.

The manufacturing industry is undergoing a pivotal shift, demanding not just productivity but purpose too. Megatrends like localisation, electrification, and digitalisation are accelerating. Supply chain disruptions due to geopolitical tensions are becoming the norm. So, the future calls for agile, clean, and intelligent manufacturing ecosystems that create impact, at scale. We embrace this change not as a challenge but as a catalyst.

Against this backdrop, FY 2024-25 was a defining year for SKF India.

Our financial performance speaks for itself. We took several strategic steps to accelerate our growth. We invested more to expand and modernise our manufacturing footprint. We continued to nurture our high performing and diverse teams. Through our CSR efforts, we made sure that we are 'giving back' to the community around us. The year also marked a strategic realignment, with the announcement of our demerger, a move designed to sharpen business focus and unlock greater value across our Automotive and Industrial platforms.

Above all, I am proud that we achieved all this with the SKF values – curiosity, collaboration, care and courage as our guiding principles. With curiosity, we re-imagined rotation. With collaboration, we co-created value with our customers to strengthen their competitiveness. With care, we upheld the highest standards of responsibility and inclusion across operations, communities, and partnerships. And with courage, we continued to challenge convention, lead with innovation, and deliver progress that matters.

Executing with discipline

FY 2024-25 was a year of focussed delivery for SKF India. We progressed across key business segments with clarity and intent, reflecting the strength of our operating model and the sharp execution supporting it.

Revenue rose to INR 4,919.9 Crores, a growth of 7.65% over the previous year, while profit before tax reached INR 763.1 Crores, marking a 3.71% increase. This was driven by robust demand across industrial sectors, including wind and railways. The automotive business grew by 6%, supported by improved traction in two-wheelers, passenger vehicles, and a strong aftermarket performance.

Despite inflationary pressures and an evolving product mix, our focus on localisation, pricing discipline, and portfolio optimisation helped mitigate margin impact. Traded product rationalisation progressed steadily across quarters, and we expect this momentum to continue improving margins.

We closed the year with healthy operating cash flows, strong return ratios, and sustained investments in future-focussed initiatives. Our financial results not only reflect current strength but also reinforce our direction towards scalable, long-term value creation across industrial and automotive ecosystems.

> REVENUE ROSE TO INR 4,919.9 CRORES, A GROWTH OF 7.65% OVER THE PREVIOUS YEAR, WHILE PROFIT BEFORE TAX REACHED INR 763.1 CRORES, MARKING A 3.71% INCREASE. THIS WAS DRIVEN BY ROBUST DEMAND ACROSS INDUSTRIAL SECTORS, INCLUDING WIND AND RAILWAYS.

Strategic steps to accelerate growth

FY 2024-25 marked a transformational phase for SKF India as we redefined our organisational structure to better serve evolving market needs and accelerate growth. The strategic demerger of our Automotive and Industrial businesses into two focussed, publicly listed entities has laid the foundation for enhanced agility, sharper execution, and deeper customer alignment. Complemented by intensified localisation, innovation, commercial excellence, service expansion, and people-centric initiatives, SKF is well-positioned to capture emerging opportunities and deliver sustainable value across diverse sectors.

Localisation

To serve diverse regional markets effectively, SKF is intensifying localisation efforts across manufacturing, supply chain, and product development. Building capabilities closer to customers improves responsiveness, shortens lead times, and optimises costs. This localisation strategy allows us to tailor solutions to specific market requirements and regulatory conditions while bolstering supply chain resilience. Our investments in regional manufacturing hubs, automation, and local talent development ensure SKF stays agile and competitive amid growing global complexity.

Innovation

We consistently invest in advanced technologies and solutions that meet evolving industry challenges. Our portfolio spans energy-efficient bearings, e-mobility components, digital condition monitoring, and predictive maintenance, delivering operational excellence worldwide. Through cross-functional collaboration hubs and dedicated R&D incubators, we foster a culture of creativity and problem-solving that accelerates innovation from concept to market-ready products, reinforcing SKF's role as a trusted technology leader.

Commercial Excellence

Delivering superior customer value demands relentless commercial excellence. SKF is strengthening go-to-market capabilities via data-driven decision-making, customer segmentation, and customised engagement models. We optimise pricing, enhance channel partnerships, and streamline sales processes to improve efficiency and win rates.

Leveraging digital tools and analytics, our commercial teams gain deeper market and customer insights, enabling proactive solutions and stronger long-term relationships. This focus drives profitable growth while upholding our reputation for reliability and service quality.

Services

Our service business is vital in addressing changing customer expectations and ensuring long-term resilience. SKF is expanding aftermarket offerings with customised solutions, predictive maintenance, and remote condition monitoring. We are sharpening focus on delivering higher asset availability, faster response times, and value-added services that reduce downtime and operational costs. By integrating digital technologies and strengthening field support, SKF enhances customer satisfaction and builds sustainable revenue streams beyond product sales.

People Experience

We are deeply committed to cultivating an inclusive and empowering workplace. Initiatives like SKF College and the Lifelong Learning Framework equip employees with future-ready skills in digitalisation, automation, and analytics. Our Diversity, Equity, and Inclusion programmes nurture a culture where every individual feels valued and supported. Flexible work policies, mentoring networks, and leadership development further drive engagement and retention. By investing in our people's growth and well-being, SKF is building a resilient workforce poised to lead innovation and excellence into the future.

Driving manufacturing excellence

Our manufacturing brings together intelligence, agility, precision, and a commitment to sustainable outcomes. FY 2024-25 was a year of momentum. From shopfloor to shipment, we recalibrated processes to operate smarter, respond faster, and deliver more sustainably.

Our three hubs form a future-ready network that blends scale with agility and local depth with global alignment. Each SKF site is advancing on the three pillars of next-generation operations – lean, clean, and digital.

- 95% of automotive production is now localised
- Industrial operations are scaling from a 40% localisation base
- Over 80% of components for SKF India are now sourced locally

This localisation focus has shortened lead times, reduced supply chain volatility, and increased resilience. It is not just about proximity, but about precision and responsiveness to regional needs.

We invested in capacity expansion, automation, and process innovation. These investments have sharpened our competitive edge and strengthened our ability to serve both domestic and global demand with confidence.

We also strengthened our focus on workplace safety. Recordable accidents dropped by 33%, driven by a culture of accountability and awareness. The launch of our Safety Skill Centre helped build technical and behavioural safety competencies across teams, while proactive reporting of near misses and unsafe conditions increased by 25%. Safety at SKF is not a checklist it is a mindset embedded in how we train, operate, and make decisions every day.

As we transition into a dual-entity structure, our manufacturing strategy is evolving to align with the unique demands of each business. The automotive segment will scale high-throughput, automation-led production, while the industrial segment will move towards modular, demand-responsive manufacturing. This dual-track approach ensures that each business is equipped for leadership. At SKF, manufacturing is where friction is reduced, value is created, and the future is engineered.

Translating innovation into customer value

Innovation is deeply embedded in our strategy to re-imagine rotation for a better tomorrow. In FY 2024-25, we launched several breakthrough innovations that directly address customer needs across automotive, industrial, and renewable sectors.

We introduced new solutions such as

- Enhanced railway bearings and high-performance motor bearings that extend equipment life and reduce energy use.
- Sensorised modular hub units for 2W and 3W EVs, improving efficiency and lowering total cost of ownership.
- AI-powered inspection systems and intelligent lubrication platforms for steel and manufacturing customers, improving uptime and reducing manual intervention.
- The CO_2 Calculator Tool, which enables customers to evaluate the environmental impact of bearing choices, promoting greener decision-making.

These innovations are backed by robust R&D infrastructure, close collaboration with global teams, and targeted academic partnerships. We also filed five patents and co-developed five more this year, underscoring our commitment to creating sustainable, competitive advantages for our customers.

We align innovation with customer needs to deliver high-impact solutions that enable measurable progress.

Accelerating commercial excellence

Commercial excellence at SKF India goes beyond sales. It is about building deeper relationships, delivering relevant solutions, and creating shared value across the customer lifecycle. In FY 2024-25, we advanced our go-to-market strategy, strengthened engagement, and scaled value-added services across both Automotive and Industrial segments.

Our Value Edge Programme emerged as a key differentiator for our distributor ecosystem. Through tiered loyalty benefits, digital enablement, and real-time insights, the programme improved collaboration, channel visibility, and order fulfilment. These efforts led to stronger inventory alignment and a rise in distributor confidence.

In the automotive aftermarket, initiatives such as App ka Humsafar and SKF on WhatsApp enabled seamless access to product information, grievance support, and rewards. Tools like Digi-Connect, SKF Web Part Finder, and Zylem DMS enhanced transparency and customer service, while the SAP rollout streamlined end-to-end order processes.

These initiatives translated into commercial success. We secured new OEM programmes for electric two-wheelers and three-wheelers, introduced sensorised hub units and Gen 3 bearings, and expanded traction motor localisation for Vande Bharat Express. A multi-year supply contract with one of India's leading wind turbine manufacturers which marked another key win.

As we transition into two focussed businesses, this foundation of insight-led, partnership-driven growth will continue to support our leadership and long-term value creation.

Driving progress with lower footprint

In line with our global commitment to the Science Based Targets initiative (SBTi), we are advancing toward net-zero emissions across our value chain by 2050. In FY 2024–25, we reduced Scope 1 and 2 emissions by 28% compared to the previous year. Over 95% of our energy now comes from renewable sources, supported by solar installations and VPPA initiatives across key sites.

These are deliberate, outcome-driven actions. With a clear target to fully decarbonise manufacturing by 2030 and reach net-zero by 2050, we continue to drive impact across energy sourcing, process efficiency, and electrification. Every step reinforces our role in shaping a more sustainable industrial future.

Sustainable supply chain

Our commitment extends beyond our operations. We aim to reduce emissions by 15% from forging and ring suppliers by 2025 (base year – 2019), and by 32% from all direct material suppliers by 2030. We are also working with Indian steel producers through the SteelZero 2030 initiative to promote cleaner, scrap-based electric arc furnace technology.

Water stewardship

With several sites in water-stressed regions, water conservation remains a priority. Our goal is to achieve water neutrality across all facilities by 2028. In FY 2024–25, we reduced specific water consumption by 31%, supported by rainwater harvesting, improved storage, and lower freshwater dependency.

Circular economy

At our Pune facility, a Recond oil plant now filters and reuses honing oil, extending its life. Across locations, sludge compacting machines, enable coolant reuse and minimise soil pollution. Additionally, our sites are working on a target to reduce the waste generation by 5% every year.

Sustainable innovation

Our CO_2 calculator tool helps automotive customers evaluate the environmental impact of bearing choices – supporting smarter and

> ALIGNED WITH OUR GLOBAL COMMITMENT TO THE SCIENCE BASED TARGETS INITIATIVE (SBTI), WE ARE ACTIVELY ADVANCING TOWARD NET-ZERO EMISSIONS ACROSS OUR VALUE CHAIN BY 2050.

lower-emission decisions. This reflects our effort to embed sustainability into the core of engineering.

Culture that builds capability

We are committed to building a workplace that attracts, nurtures, and retains talent through inclusive, progressive, and employee-centric practices.

In 2024, we were recognised as a Top Employer by the Top Employers Institute and were also among the Most Preferred Workplaces for Women. These accolades reflect our commitment to equity, flexibility, and a culture that supports every stage of the employee journey.

We take a holistic approach to well-being offering comprehensive policies on leave, healthcare, flexible work, and career growth. We were among the first in the industry to implement a 26-week maternity leave policy, well before it became a norm. Through sports events, long-service awards, and cultural celebrations, we foster a strong sense of belonging.

Diversity and inclusion are embedded in our people strategy. Our DEI initiatives ensure every voice is heard and every employee has the opportunity to grow and lead. Our workforce mirrors the diversity of the communities we serve. In FY 2024–25, we achieved 17.5% gender diversity across the workforce, up from 10.4% last year. Shopfloor representation of women doubled to 16.2% from 7.2%, reflecting the strength of our inclusive hiring practices, sensitisation programmes, and workplace enablement efforts.

At SKF, we continue to build a people-first culture rooted in empowerment, engagement, and excellence. In FY 2024-25, we accelerated leadership development through programmes such as TRANSCEND, Power the Future, and the Leadership Accelerator Journey – Automotive, equipping high-potential talent to take on future-ready roles. We strengthened functional capabilities through mentorship, live projects, and coaching interventions. These initiatives, supported by data-led people practices and meaningful employee engagement, are shaping a resilient, high-performing workforce aligned with our purpose.

Our refreshed brand identity

This year, we undertook a comprehensive refresh in our strategy, structure, and the way we present who we are, what we do, and the value we deliver. At the centre of this transformation is our renewed brand identity, anchored in a clear and compelling promise – Less Friction. More Progress.

This is not just a tagline. It is a mindset that defines our role in a changing world. We aim to simplify movement, reduce complexity, and help customers move forward with greater speed and confidence. It reflects our focussed effort to remove resistance in machines, operations, and decision-making, and to deliver solutions that create measurable impact.

Our new brand voice is human, bold, and direct. It reflects how we work today – collaborative, agile, and focussed on what matters. We are positioning ourselves not just as a supplier but as a partner who delivers clarity, confidence, and value across every interaction.

This change goes beyond design. It reinforces our purpose – 'Together, we re-imagine rotation for a better tomorrow.' It affirms our commitment to sustainability, digital innovation, and intelligent engineering. We are not becoming new. We are expressing who we have always been, with greater focus and purpose.

Inclusion is how we move forward

At SKF India, we believe true progress extends beyond business performance. In FY 2024-25, our CSR initiatives reached over 78,000 beneficiaries across 10 states, anchored in inclusive education, vocational training, and sustainable community development.

Through WeGyaan, we empowered 10,700+ students with hands-on STEM learning, achieving 100% of our annual target. Our Udaan scholarship programme supported 568 girls and 30 specially-abled students, with 28 securing placements at leading firms. The YES programme trained over 1,934 youth, with a 74% employment rate and growing entrepreneurial outcomes.

In parallel, our Water Sustainability efforts created 1,55,700 cubic metres of storage and impacted over 65,000+ rural residents, enhancing climate resilience at the grassroots. And in a proud moment, our special athletes won the Gothia Cup 2024, spotlighting the power of inclusion.

Health and safety continued to be a non-negotiable priority. We achieved a 33% reduction in recordable accidents, launched a dedicated Safety Skill Centre, and saw a 25% rise in proactive reporting. This was a clear indicator of a more aware, accountable workforce.

Through every initiative, we reaffirmed our belief – progress is most powerful when shared.

Governance that builds confidence

Strong corporate governance is the foundation of long-term value creation. We remain committed to the highest standards of ethics, transparency, and accountability. In FY 2024–25, we strengthened board independence, enhanced compliance systems, and reinforced responsible conduct across the value chain. Our governance framework supports effective decision-making, clear risk oversight, and alignment with stakeholder expectations.

Looking ahead with purpose

As we close a transformative year, we step into the future with sharper focus and greater ambition. Whether we are designing intelligent solutions, decarbonising operations, or empowering communities, our direction is clear to make movement smarter, industries more efficient, and society more inclusive.

With a bold strategy, a capable team, and a strong commitment to sustainability and innovation, SKF India is ready to lead through change and deliver lasting value. Our purpose -'Together, we re-imagine rotation for a better tomorrow' is not just a statement. It defines how we think, act, and grow.

On behalf of the leadership team, I thank our employees, customers, partners, and shareholders. Your trust and support continue to drive our momentum. The path ahead holds great promise, and together, we will ensure every rotation moves us forward with meaning.

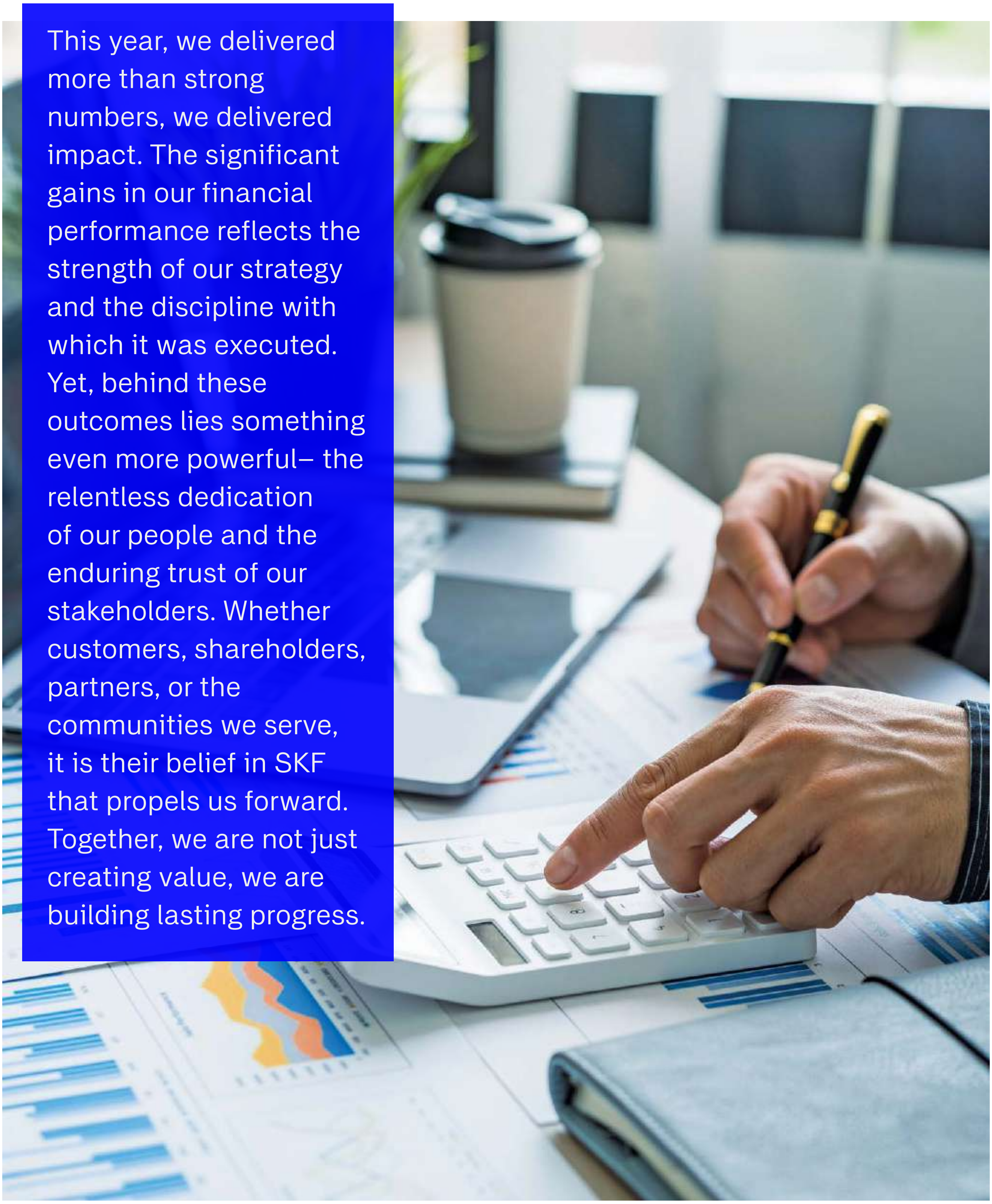
Warm regards,

Mukund Vasudevan

Managing Director

GROWTH. STRENGTH. STABILITY.

This year, we delivered more than strong numbers, we delivered impact. The significant gains in our financial performance reflects the strength of our strategy and the discipline with which it was executed. Yet, behind these outcomes lies something even more powerful– the relentless dedication of our people and the enduring trust of our stakeholders. Whether customers, shareholders, partners, or the communities we serve, it is their belief in SKF that propels us forward. Together, we are not just creating value, we are building lasting progress.



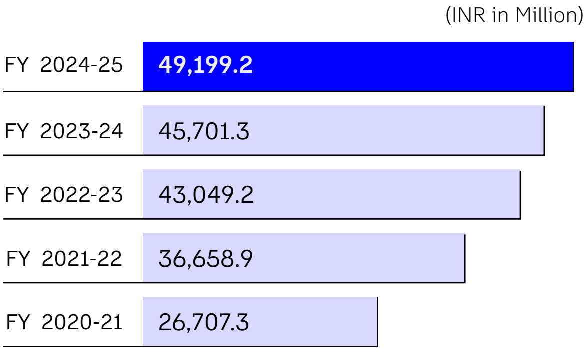
	As per Ind AS									As per Indian-GAAP (INR in Million)
	31st March, 2025	31st March, 2024	31st March, 2023	31st March, 2022	31st March, 2021	31st March, 2020	31st March, 2019	31st March, 2018	31st March, 2017	15 months ended on 31st March, 2016
Net sales	48,305.0	44,877.3	42,339.2	36,035.5	26,329.4	27,959	29,960	27,686*	28,047*	31,848*
Profit before tax	7,631.0	7,358	7,329	5,310	3,963	3,868	5,242	4,555	3,756	3,945
Profit after tax	5,658.1	5,517.7	5,247.9	3,951.3	2,977.3	2,890	3,358	2,959	2,439	2,559
Cash earning per share (INR)	131	127	120	91	72	70	75	66	55	62
Rate of dividend (%)	145	1,300#	400	145	145	1,300^	120	120	100	150
Gross block	17,007.3	15,424	14,317	13,557	12,586	12,146	11,234	11,021	10,657	10,315
Net block	5,215.7	4,379	3,878	3,650	3,141	3,146	2,671	2,753	2,806	2,980
Total borrowings	-	-	-	-	-	-	900	850	340	650
Share capital	494.4	494.4	494.4	494.4	494.4	494.4	494.4	513.4	527.0	527.0
Reserves and surplus	25,485.1	26,334	22,920	18,363	15,144	18,558	16,475	17,860	17,585	16,119
Book value per share (INR)	525.5	542.7	473.6	381.0	316.3	385.4	331.9	355.7	343.5	315.7
Shareholders (nos.)	66,264	45,970	43,098	41,009	32,425	23,636	23,505	23,549	24,653	24,635
Employees (nos.)	1,727	1,701	1,662	1,681	1,762	1,716	1,759	1,779	1,789	1,824

* Net sales for Q1 of FY 2017-18, year ended 31st March, 2017 and 15 months ended on 31st March, 2016 includes excise duty as per Ind AS, whereas 2014 and the prior period are excluding excise duty as per Indian-GAAP. In accordance with Ind AS 18-Revenue, GST (Goods and Services Tax) is not included in Net Sales w.e.f from 1st July, 2017

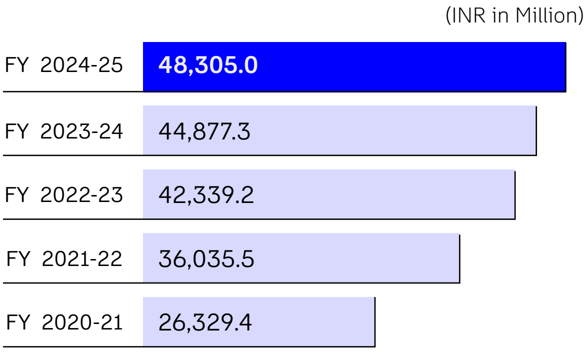
^,# Special dividend of 1,300%

IND AS 18 is replaced by Ind as 115 w.e.f. 01st April, 2018

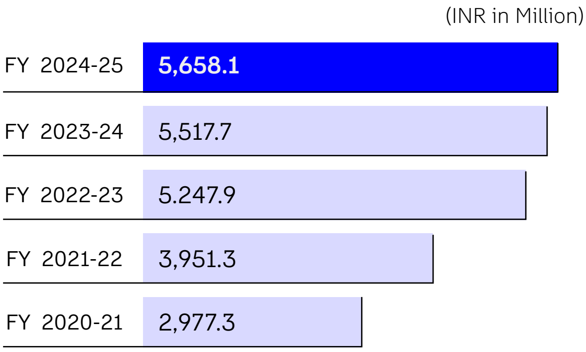
Revenue from operations



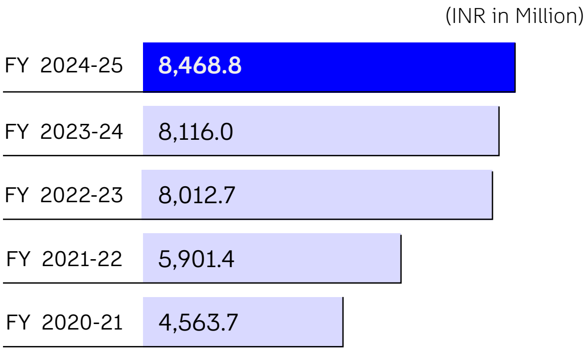
Net sales



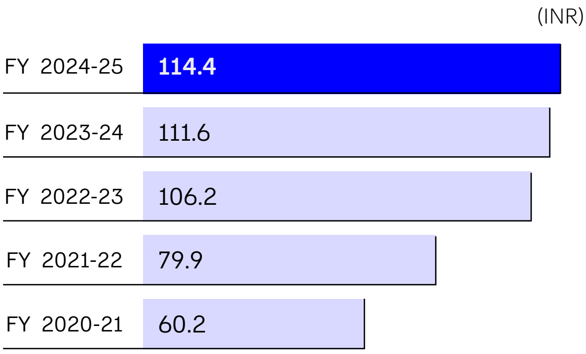
Profit after tax



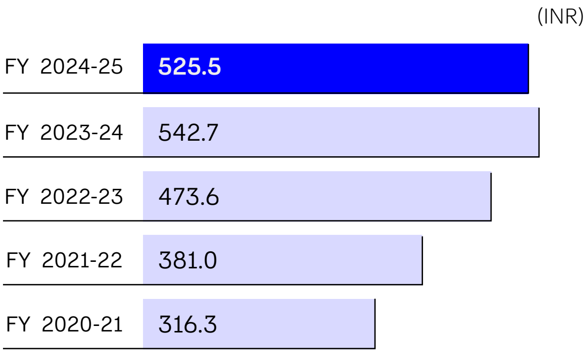
EBITDA



Earnings per share (EPS)



Book value per share



Return on net worth

(%)

FY 2024-25	21.4
FY 2023-24	22.0
FY 2022-23	24.8
FY 2021-22	22.9
FY 2020-21	17.2

Return on capital employed (RoCE)

(%)

FY 2024-25	29.3
FY 2023-24	27.4
FY 2022-23	31.3
FY 2021-22	28.1
FY 2020-21	25.3

Dividend

(INR in Million)

FY 2024-25	716.9
FY 2023-24	6,426.9
FY 2022-23	1,977.5
FY 2021-22	716.9
FY 2020-21	716.9

Rate of dividend

(% of share)

FY 2024-25	145
FY 2023-24	1,300
FY 2022-23	400
FY 2021-22	145
FY 2020-21	145

PLAN. CREATE. PROVIDE.

At SKF India, value creation begins with understanding the evolving needs of our customers and the industries they serve. Our strategy is rooted in precision, innovation, and agility–empowering us to tap into high-impact sectors like electric mobility, railways, wind energy, and industrial automation. By aligning with national priorities and market shifts, we continue to unlock new opportunities, strengthen partnerships, and build a future-ready, sustainable business that delivers long-term value for all stakeholders.

Did you know that SKF India's bearing solutions are playing a key role in modernising India's Railway infrastructure?

From high-speed passenger trains to rugged hill railways, our locally manufactured and remanufactured bearing units are designed for safety, energy efficiency, and extended service life. With customers like Mobility OEM and Indian Railways, we are enabling smarter, cleaner, and more reliable transportation for millions across the country.

How we create value

STRATEGY. EXECUTION. VALUE.

Resources we deploy	Value-creation approach

FINANCIAL

- Equity: INR **25,979.5 mn**
- Assets (PPE & CWIP): INR **5,761.8 mn**

MANUFACTURING

- Manufacturing units: **3**
- Distributors: **441**
- Solution factories: **4**
- Total capacity: **190 mn** bearings

INTELLECTUAL

- Patents in process: **5**

HUMAN

- Employees: **1,727**
- Average training hours per employee per year: **19.10**

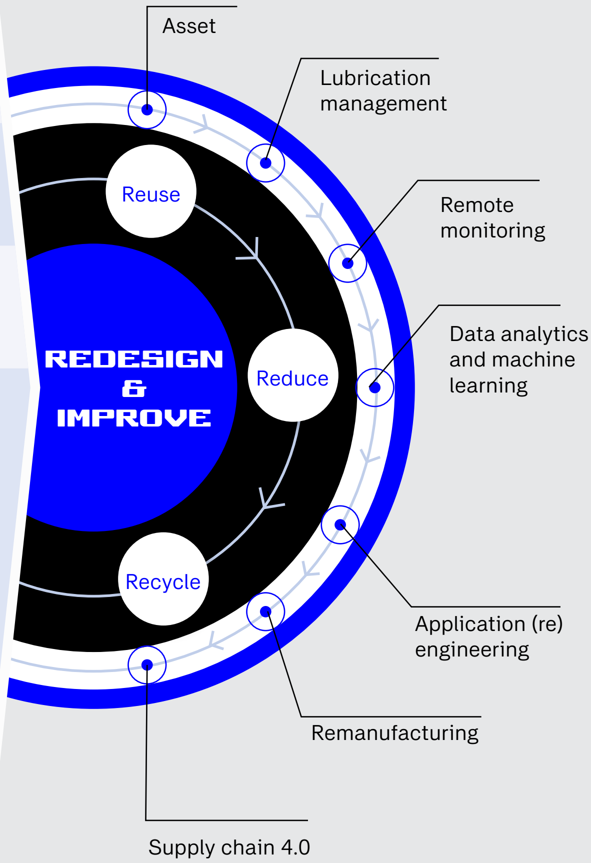
SOCIAL AND RELATIONSHIP

- Suppliers: **1,811**
- Code of conduct sessions held: **15 covering 9 key aspect**
- Supplier initiatives launched (ongoing): **10**
- Certified maintenance practitioner training conducted: **4**
- CSR spend in FY 2024-25: INR **135.44 mn**
- Employee volunteering hours: **1,096 person hours**
- YES training centres: **7**
- Roof rainwater harvesting structures: **103**
- STEM schools: **104**
- Locations for girl education scholarships: **6**

NATURAL

- Total energy use: **2,68,613 GJ**

SKF's business model and strategy are designed to maximise value creation for our stakeholders. Our strength lies in our ability to keep developing new technologies used to create value-adding solutions offering competitive advantages to customers while contributing to a sustainable global society.



Standalone financial numbers

The value we generate

Our value impact for stakeholder FY 2024-25

STRATEGY

Intelligent and clean growth

- Double the business at improved margins
- More focussed and efficient
- Technical partner of choice among customers
- Leading the development of sustainable solutions

STRONG CUSTOMER OFFERING

Right product, right cost, right time

The product proposition meets performance requirements on specific parameters such as speed, load, noise, or physical environment.

TOTAL COST OF OWNERSHIP

The rotating equipment performance proposition meets the needs of customers who operate critical machinery, by maximising the performance.

FINANCIAL

- Revenue: **INR 49,199.2 mn**
- EBITDA: **INR 8,468.8 mn**
- Profit before tax (PBT): **INR 7,631.0 mn**
- Profit after tax (PAT): **INR 5,658.1 mn**
- RoCE: **29.3%**
- Net cash flow (operations): **INR 2030.9 mn**

MANUFACTURING

- Bearings produced in FY 2023-24: **178 mn pcs**
- New products in pipeline: **51**
- Customer delivery lead time for stock item: **Max 7 days**
- Refurbished/remanufactured bearing for customers: **43,300**

INTELLECTUAL

- Patents filed: **5**

HUMAN

- Gender diversity ratio: **17.5%**
- Recordable accidents: **2**
- Employees covered under the Code of Conduct: **100%**

SOCIAL AND RELATIONSHIP

- Suppliers covered under the code of conduct: **80%***
- Certified maintenance practitioners: **40**
- Unique machines served by SKF practitioners: **18,200**
- No. of direct beneficiaries impacted through CSR initiatives: **78,178**
- Entrepreneurship Development through YES: **18**
- Skilled workforce created through YES: **1,934 (24% girl beneficiaries)**
- Girl education support/scholarship: **568**
- Scholarship support to Divyaang (beneficiaries with special needs): **30**
- Households benefitted through our Water Sustainability initiatives: **8,747**
- Water capacity enhancement and conservation in rural communities: **1,50,000+ CuM**
- Trees planted as part of bio-diversity conservation around the rural waterbodies: **670**

NATURAL

- Scope 1 and 2 emissions: **20,617 tCO_2**
- Renewable energy generated: **44.26 GWh**

Value Created

INR 55,434.2 mn Gross income (including GST)

Value Retained

INR 22,613.3 mn Retained earnings

Value delivered to stakeholders

Return to Shareholders

- **INR 716.9** mn Dividend
- **INR 19,021.5** cr Market Capitalisation

Sustainable Initiatives

- INR **135.44** mn CSR Contribution
- **3,054** mn MT Waste Recycled **64,268** M³ Water Recycled and Reused
- **14** Village Ponds Rejuvenated
- Roof Rainwater Harvesting Structures: **103**

Our Contribution to Indian Economy

- INR **1,972.9** mn Taxes
- **187** Employment created (including workers)
- **18%** Revenue from Value Added Products

Value Created for our Suppliers

- INR **31,946.4** mn procurement
- **86.59%** Local Procurement

Value to our Employees

- INR **3,597.8** mn in Wages and benefits
- **0.28** LTIFR
- **Zero Fatalities**

Value created — Value eroded — Value preserved

*Includes high spend critical suppliers

Engagement with our stakeholders

ENGAGE. EMPOWER. EVOLVE.

We regard our stakeholders as essential partners in our journey of creating long-term, sustainable value. Our engagement approach is built on transparency, responsiveness, and mutual respect. Thus, building trust and fostering relationships that endure with time.

Our guiding principles

PRINCIPLE	What it Means?
INCLUSIVITY	Listening to diverse voices and incorporating them into our decision-making
MATERIALITY	Prioritising issues that matter most to stakeholders and impact our business
RESPONSIVENESS	Acting on feedback and communicating openly about outcomes and progress

Stakeholder engagement process

How do we identify and engage with key groups?

1. **Identify**
   Map internal and external stakeholder groups based on influence and interest
2. **Engage**
   Conduct regular interactions—surveys, meetings, workshops, forums
3. **Analyse**
   Gather insights and assess material issues through structured evaluations
4. **Integrate**
   Feed insights into strategy, risk management, and sustainability priorities
5. **Act & Report**
   Implement actions and communicate transparently on progress and outcomes

We had the following engagement with our key stakeholder groups.

RELEVANCE TO SKF INDIA	ENGAGEMENT TOPICS	COMMUNICATION FORUM
Shareholders, Investors, Analysts		
SKF's overall financial objective is to create value for our shareholders	• Appraise the Company's periodic results and disclosures • Regular Demerger Updates • Improve their understanding of SKF's ESG commitments and performance • Climate change, physical and transition risks, and financial impact • Social and environmental concerns in the supply/value chain • Competitiveness	• 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 information
Customers, Dealers, Distributors		
Developing new technologies to create value-adding solutions offering competitive advantages to customers and, at the same time, contributing to a sustainable global society	• Develop/strengthen relations with customers to improve customer experience • Anticipate short to long-term needs and expectations • Communicate policy and processes • Understanding market conditions and requirements • Environmental compliance • New business models, enabling cleantech growth • Environmental and social compliance as per customer requirements, including human rights, corruption	• One-on-one interactions • Meets/conferences (physical/virtual) • Surveys and assessments • Exhibitions and trade shows • Customer care calls and emails • Audits by customers to SKF • Training • On-site visits
Suppliers, Vendors		
Ensuring an efficient, resilient and sustainable supply chain to meet our business demands – both present and future	• Quality, cost, and delivery improvement • Mutual sharing of needs and expectations • Strategic partnerships and value creation • Share knowledge and best practices, vendor recognition • Responsible sourcing, including ESG compliance with laws and SKF's CoC requirements • Product material compliances as per customer need • Clean energy adoption, promote waste reduction and recycling	• Continuous engagement through visits/ interactions/supplier meets/conferences • Leaders' meetings • Joint improvement projects for supplier maturity improvement • Kaizens for innovation and cost/ quality improvements at Suppliers • Technical + ESG Audits Trainings

RELEVANCE TO SKF INDIA	ENGAGEMENT TOPICS	COMMUNICATION FORUM
Community, NGOs		
Creating a positive impact in the community where we operate	• Enable employability and entrepreneurship among youth (skilling) • Support the completion of higher education for girl & Divyaang students (scholarships) • Develop analytical skills among school children (STEM education) • Increase surface water & ground water availability through community participation in rural India	• Meets/conferences/interactions with community/NGOs • CSR committee meetings, CSR surveys • Emails, feedback forms, phone calls, physical visits and meetings
Employees, Unions		
Relaying annual business priorities along with employees Drive continuous improvement on working climate	• Relay annual business priorities • Drive continuous improvement on the working climate • Ensure environment, health, and safety • Develop employment and competency • Ensure diversity and working culture • Manage leadership and change	• Townhalls conferences • Feedback/Satisfaction survey • Monthly Union Communication meeting with the Union for sharing monthly business requirements • Individual meetings are happening with the union based on the channel/department subject • Arranging the Union Leadership programme annually for development of Union leadership • Weekly meeting with PX to address the union subject • Conducting quarterly townhalls • Conducting Peakon Survey for workmen voice and subsequently preparing the action plan • Day-to-day sharing the channel-wise PD-wise achieved business targets for a necessary further step up from union and workmen • Union monthly meetings with their representatives • Conducting various engagement initiatives for workmen throughout the year, including the family day programme, long service award ceremony, retirement event, and other activities as per the annual calendar

Materiality assessment

PRIORITIES. STRATEGY. ACTION.

We are committed to identifying and addressing the environmental, social, and governance (ESG) priorities that matter most, both to our stakeholders and to the long-term success of our business. By focussing on these critical areas, we aim to create shared value while safeguarding the well-being of people, communities, and the environment.

Our ESG approach is both strategic and intentional, ensuring that our actions advance business objectives while contributing meaningfully to a more inclusive, resilient, and sustainable future. By aligning purpose with performance, we are building a company that creates lasting value for all.

Customer performance

Enhance customer satisfaction

- Achieving customer satisfaction with various survey ratings by customers
- 100% reporting of customers' sustainability requirements

Economic performance

Economic value creation and distribution

- Business growth as per the strategy

Anti-corruption

Awareness about anti-corruption

- Training for employees and stakeholders

Energy and energy management

Energy-saving emission reduction

- 5% energy saving year-on-year
- 100% Renewable energy sourcing
- Achieve decarbonisation for all sites by 2030

Water

Enhance customer satisfaction

- 10% reduction in specific water consumption year-on-year

Waste

Waste recycling

- Towards Zero waste to landfill by 2030

Occupational health and safety

Number of accidents

- Zero accidents

Supplier ESG performance

Supplier ESG performance improvement

- Supplier ESG assessment for critical suppliers
- Reporting of Scope 3 emissions for 100% critical supplier
- Critical supplier training on ESG parameters

ANTICIPATE. MITIGATE. STRENGTHEN.

In a more complex and interconnected business landscape, SKF India has officially embraced a structured Enterprise Risk Management (ERM) framework for FY 2024-25, leveraging global best practices from the SKF Group. This represents a key milestone in our effort to institutionalise a forward-thinking, proactive, and integrated risk approach.

Our ERM framework integrates seamlessly with our business strategy, operations, and governance systems. It enables us to identify, assess, and mitigate risks across multiple dimensions including financial, operational, regulatory, technological, environmental, and reputational.

Risk assessments are systematically carried out across all key functional areas, including sales, manufacturing, supply chain, technology, finance, legal & compliance, sustainability, and human resources. Identified risks are consolidated by designated business area representatives and reviewed periodically by senior management. Regular updates are also presented to the Risk Management Committee to ensure continuous oversight and alignment with governance protocols.

SKF India ERM process

Risk assessments

Assessments are conducted by all business functional areas

Risk consolidation

Business/ Functional area representatives consolidate the risks. Discussions are facilitated by the Compliance officer

Company management review

Company management reviews the consolidated assessment

Risk Management Committee

The consolidated risk assessment is presented to the Risk Management Committee.

SKF strategy development and execution

The business areas' risk assessments serve as input for strategy development and execution.

Risk owners

Risk owners oversee risk mitigation and follow-up.

Annual report

A high-level overview is shared externally in the annual report.

Risk	Impact	Mitigation
Geopolitical and supply chain tension	Global disruptions, trade restrictions, and regional instabilities can impact supply chain continuity and input costs.	Increase localisation, dual sourcing strategies, inventory optimisation, and digital supply chain solutions. Our regionalised footprint supports supply chain agility and responsiveness.
Information and cybersecurity	Digital transformation exposes the business to rising cybersecurity threats and compliance requirements.	Ongoing investments in IT security infrastructure, employee awareness training, regular audits, and Group-wide alignment on data protection protocols.
Climate and environmental impact	Climate change, water scarcity, and tightening environmental regulations can affect operations and stakeholder trust.	Implementation of our water neutrality programme, aggressive decarbonisation targets (net zero by 2050), renewable energy projects, and climate scenario risk analysis.
Talent and leadership risk	Competition for skilled talent in critical domains, poses a risk to capability development.	Focussed initiatives around employee experience, inclusive culture, leadership development, and strategic talent acquisition.
Cost volatility	Rapid fluctuations in raw material, energy, and logistics costs can impact profitability and planning.	Dynamic pricing strategies, productivity improvements, cost reengineering, and flexible sourcing models.
Speed of innovation	Emerging technologies and disruptive business models can affect customer relevance.	Active monitoring through SKF's global Technology Radar, open innovation platforms, and a well-defined innovation portfolio supported by R&D investments.
Digitalisation and IT modernisation	Increasing demands for a fully connected customer experience and internal digital alignment require fast-paced transformation.	Strategic investments in digital capabilities, simplification of the IT landscape, and hiring digital talent.
Manufacturing footprint and localisation	With global economic shifts and the need for resilience, managing our manufacturing footprint has become increasingly important. Any failure/delay in implementation localization projects may impact the business results.	The manufacturing strategy and governance framework is being refined through prioritised investment planning, regional supplier development, and the adoption of scalable, step-up manufacturing technologies.

PURSUIT. EXCELLENCE. ACHIEVEMENT.

As a trusted motion technology partner since 1961, SKF delivers value at every turn, supporting customers from product design to lifecycle optimisation. Our locally engineered solutions power performance across automotive, industrial, railways, and renewable sectors. With smart integration, predictive maintenance, and reliable aftermarket support, we help customers operate with confidence while driving efficiency, uptime, and long-term growth.

Did you know that SKF India co-developed customised solutions for turbines, enabling higher output even in low-wind regions?

By aligning closely with OEMs, we engineer purpose-built main shaft bearings that improve turbine reliability and reduce downtime. SKF India is not just supporting renewable energy, it's accelerating India's clean energy ambitions, one rotation at a time.


SKF EXPLORER

Consistent innovation

IDEATE. INNOVATE. INSPIRE.

For us, innovation is a consistent and disciplined effort that is part of our identity. Our dedication to rethinking motion technologies is evident in our pioneering products, intelligent solutions, and industry-leading innovations that enhance performance, sustainability, and customer success.

Driving a culture of innovation

Innovation at SKF India is systematically nurtured through an ecosystem built for ideation, collaboration, and technological advancement –

R&D excellence

Our advanced technical centre in Bangalore, featuring state-of-the-art laboratories and testing facilities, has been crucial in introducing new solutions to the market. Innovations like enhanced railway bearings, energy-saving motor bearings, and durable rolling mill bearings emerged from our persistent R&D efforts.

Innovation platform and startup connect

An internal innovation platform was introduced to foster a culture of ideation among employees. New startup partnerships, meanwhile, brought fresh perspectives and agility to the innovation pipeline.

Patents and academic collaboration

In FY 2024-25, we filed five patents and co-developed five others. Additionally, we strengthened our ties with universities to explore research collaborations in core technology areas, particularly in AI-driven digitalisation.

Digital solutions

We introduced digital tools such as Bearing Select to make bearing selection easier for customers. We have been working on enhancing our Predictive/Preventive Maintenance platform along with hardware's like Microlog and IMx platforms, which facilitate early fault detection and minimise downtime for our customers.

Circularity

What if you could get cleaner oil in your application without having to change it?

With RecondOil Box from SKF, you can use the same oil over and over again. In fact, you can get cleaner oil than ever before. Your machines can perform better, and at the same time, your oil can be transformed from a costly CO_2 footprint into a sustainable asset. Don't change oil. Change to circular use of oil. This is one of our efforts towards Sustainability.

Advancing industries with targeted innovation

Throughout the year, we delivered impactful solutions tailored to the evolving needs of customer across diverse sectors, reaffirming our role as trusted partners in progress.

Case Study 1 – Bearings for Long Rolling Mills

Challenge	SKF Solution	Impact
Shorter MTBF due to scale contamination, heavy loads, and reversing torques in long product rolling mills.	Developed the 4rCRB solution with bainitic-hardened rings, normal precision bearings, and load ratings matching explorer standards.	Longer service life, improved robustness, ease of mounting, and reduced total cost of ownership. Over 4,000 units have already been consumed.

Case Study 2 – Agri Hub T50 and Disc Plough Hubs

Challenge	SKF Solution	Impact
Need for high durability in contaminated environment (dust, mud, fibre, and rocks), modular design, and minimum maintenance for primary and secondary tillage applications.	Customised Agri Hubs using THU bearing designs, modular mountings, R-safe seals, and relubrication-free assemblies.	Withstood 1,000–2,000 hours in mud slurry tests; performance class up to 50,000 hectares; increased equipment lifespan and reduced maintenance.

Case Study 3 – Deep Groove Ball Bearings for FHP Motors

Challenge	SKF Solution	Impact
Quite running, moderate to high operating temperatures and maintenance free in FHP industrial motors.	Designed bearings with GJN grease, optimised material selection, and improved sealing.	2X grease life, 25% reduced friction, lower power consumption, and enhanced motor performance.

Case Study 4 – Railway Bearing and Axle Box for Hill Trains Projects

Challenge	SKF Solution	Impact
Replace 'journal' Sleeve bearings with durable, compact solutions for challenging rail applications.	Developed CRU (Cylindrical Roller Unit) with Steel axle boxes for long life and easy maintenance.	Maintenance intervals extended to 1–1.2 mn km; improved reliability; supported India's hill rail network.

Impact beyond products

At SKF India, every innovation initiative aims for a larger purpose – strengthening customer competitiveness, encouraging environmental responsibility, and fostering a sustainable future. Our innovations bring measurable value across all levels, whether it's by decreasing energy use in motors, lengthening the lifespan of railway components, or improving the efficiency of agricultural machinery.

At SKF India, we are not just creating solutions for today; we are engineering a better, smarter, and more sustainable tomorrow.

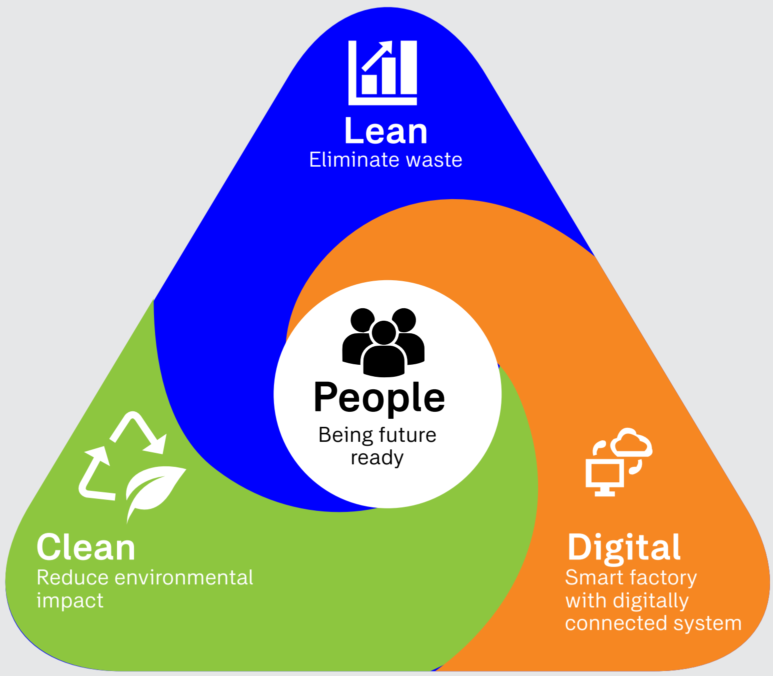
COMMITTED TO MANUFACTURING EXCELLENCE

At SKF India, manufacturing is more than just production, it's a continuous pursuit of excellence. We are committed to delivering best-in-class products through operations that are intelligent, clean, safe, efficient, and flexible. Our strategically located factories across the country allow us to reduce lead times, strengthen responsiveness, and serve customers with greater agility.

FY 2024-25 saw significant strides in operational performance through a unified focus on lean execution, digital acceleration, and sustainability integration. By embedding these principles into our daily operations, we not only deliver enhanced value but also consistently aim to exceed stakeholder expectations, reinforcing our position as a trusted industry leader.

OPERATIONS STRATEGY

- Capacity building for high growth segments
- Regionalisation/localisation
- Assortment portfolio rationalisation (Factory PLP)
- Sustainability (clean)
- Technology step-up
- Competency & leadership



Building a lean, clean, digital future

At SKF, we are embracing a 'Lean, Clean, Digital' factory strategy to drive world-class manufacturing excellence. This approach is not just about improving processes, it's about transforming how we operate.

By embedding lean principles, advancing our digital capabilities, and championing sustainability, we are building safer, smarter, and more efficient factories.

Our goal is clear – to create a future-ready organisation that is not only operationally agile but also innovative, environmentally responsible, and deeply attuned to the evolving needs of our customers.

OPERATIONS STRATEGY

LEAN

Eliminate waste, improve efficiency and increase productivity through implementation of

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

CLEAN

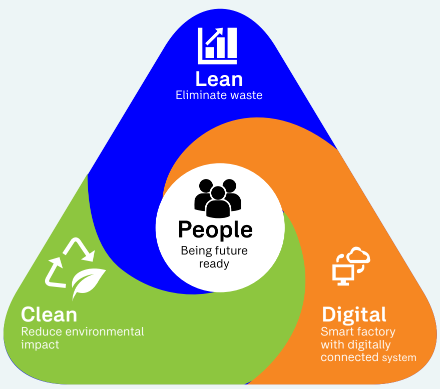
A Cleantech Company with less environmental impact & more sustainability by reducing

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

DIGITAL

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

- Production
- Maintenance
- Supply Chain



People	Culture & Leadership	Future Workforce	Employee Experience

SKF

SKF

LEAN

Eliminates waste throughout the entire supply chain, adding value according to the customer's requirement

Lean – Eliminate waste

1 SKF production system
- Safe workplace
- Built quality
- Lean material flow → E2E + Optimum inventory
- Stability tool deployment
- Productivity, ICR & AVCR, FTJ
- People-driven continuous improvement

2 Manufacturing footprint
- Localisation – R4R
- Future capacities
- Assortment rationalisation

3 Customer centric lean
- Flow efficiency improvement
- Improve service level
- Supply chain flexibility
- NPD & RFQ lead time reduction

Operations strategy

SKF

CLEAN

Balance all activities within the value chain of the future with respect to environmental impact and efficiency

Clean – Reduce environmental impact

1 GHG emissions
- Scope 1 – Fossil fuel & direct emissions in factory
- Scope 2 – Energy efficiency & renewable energy
- Scope 3 – Indirect emissions upstream and downstream

2 Circularity
- Recycled input material
- Manufacturing processes
- End of life – REMAN
- Hazardous waste recycling

3 Water neutrality
- Rainwater harvesting
- Consumption reduction

4 Oil/grease consumption
- Oil recovery system
- ReCond oil
- Consumption reduction

5 Paper & plastic
- Packaging
- Paperless
- Biodegradable

Operations strategy

SKF

DIGITAL

Digital technologies enable us to manage processes and people efficiently

Digital
Smart factory with digitally connected systems

1 Production
- Digital 2 win, SKF MES
- Machine connectivity
- Shop floor visualisation & AI/ML
- Intelligent grinding
- Visual inspection with AI-enabled

2 Maintenance
- Condition monitoring
- SCADA in HT
- CMMS – eMaint
- Energy management system
- Digital txwin

3 Supply chain
- Connected supply chain
- Warehouse management system
- Chat bot, ocean visibility, TMS
- Purchasing digitalisation

Operations strategy

SKF

PEOPLE

Enable people to drive the business transformation

People
Being future ready today

1 Culture & leadership
- Transformational leadership
- Diversity, trust, inclusion
- Culture of safety and quality

2 Future workforce
- Critical capabilities
- Building the future organisation

3 Employee experience
- People engagement

Operations strategy

A future-ready manufacturing network

Our factories in Pune, Bengaluru, and Haridwar are each advancing through different stages of digital and lean maturity. By fostering a culture rooted in collaboration, technology adoption, and sustainability, we are enabling our teams to deliver high-quality products with greater speed, precision, and intent. This transformation in manufacturing is not only preparing us for the future but also strengthening our position as a responsible and trusted partner to our customers.

Green manufacturing initiatives

We believe that sustainable manufacturing is about rethinking how we design, produce, and operate. This year, we made two significant strides in this direction – launching our first company-wide Circularity Campaign and inaugurating a Biogas Plant at our Pune facility. These initiatives reflect our determination to embed sustainability at every stage of our value chain from raw material sourcing to end-of-life product reuse.

Redefining possibilities through circularity

In line with our global vision, we launched SKF's first-ever Circularity Campaign to transform how we perceive and practice sustainability. Moving beyond the linear model of 'take, make, waste,' SKF is embracing a future built on eliminating waste and pollution, circulating materials and components, and innovating circular business models.

At SKF, circularity is intricately woven into our product design, process improvement, and engagement strategies with suppliers and customers. We utilise optimal raw materials and reduce waste at our facilities, promote the use of recycled non-virgin materials from suppliers, and provide remanufacturing and condition monitoring services to our customers, fostering a genuine closed-loop ecosystem.

To create widespread awareness and adoption, we conducted a series of capacity-building workshops, hosted expert talks, and created a dedicated internal portal with learning resources. The campaign culminated in an interactive Circularity Quiz, drawing participation from 117 employees across ISEA and other regions, with a collective engagement of over 5,000 minutes.

Circular Innovation in Action – Biogas Plant at Pune

Earlier this year, our Pune facility took a decisive step toward sustainable waste management by inaugurating a new biogas plant. The plant addresses a critical challenge, managing nearly 350 kg of daily food waste, while reducing our dependency on LPG and lowering our emissions footprint.

Through anaerobic digestion, the food waste is now converted into bio-methane, providing a cleaner alternative to fossil fuels used in our kitchen operations.

Key Environmental Outcomes

ONE LPG CYLINDER REPLACED
every day through biogas usage

~5 METRIC TONS
of annual Scope 1 CO_2e emission reduction

~2.2 METRIC TONS
of Scope 3 CO_2e emission savings by avoiding waste transportation

This initiative stands as a testament to our belief that environmental responsibility and operational efficiency can, and must, go hand in hand.

Success stories

Bangalore factory leads the way with 2x water neutrality

The Challenge

Operating in a water-stressed zone with rising consumption risks

Our Response

- Reduced freshwater usage by over 50%
- Recycled treated water across operations
- Installed overflow rainwater recharge pits
- Implemented **real-time digital water monitoring**

The Outcome

- First SKF factory globally to **achieve 2X Water Neutral status**
- Replenishing more water than consumed
- Aligned with SKF's global climate goals

Impact in Action

A flagship example of **circular water management** in manufacturing.

AI revolutionises quality at the final line

The Challenge

Manual quality checks couldn't catch complex defects leading to delays and customer complaints

Our Response

- Deployed **AI-based MZU-N Vision System**
- Real-time camera inspection across all lines
- Enhanced detection from **3 to 21 defect types**

The Outcome

- **Zero customer complaints** post-implementation
- Boost in line productivity and defect traceability
- Fully automated, human-error-free quality gate

Impact in Action

Bringing **Zero Defect vision** to life with intelligent automation.

Enhancing customer experience

LISTENING. LEARNING. LEADING.

Our customers are central to everything we do, and we are committed to delivering real value through strategic initiatives. By collaborating with our clients across the value chain, we leverage our expertise to improve environmental efficiency, enhance productivity, and boost financial performance. By gaining deep insights into customer needs, we develop innovative solutions that promote sustainable growth and offer a competitive advantage. This approach has strengthened partnerships in the automotive and industrial sectors, helping them achieve growth based on sustainability. Through improvements in efficiency, advances in quality, smarter utilisation of raw materials, and reduced environmental impact, we enable our partners to flourish.

Value for SKF

Income generated by providing products; the opportunity to grow captive market share by capitalising on long-standing relationships with customers, leveraging digital technology to improve and develop new products

Value for customers

Access to innovative, cost-effective, tailor-made products is delivered through efficient operational infrastructure driven by technology. This helps protect the financial well-being of individuals and empowers businesses to grow sustainably with an ethical and responsible approach to doing business.

Value shared

178 Million
Bearings created

3
Manufacturing units for products

Automotive

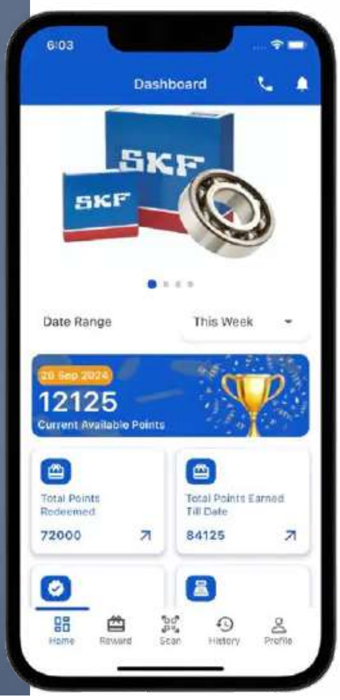
Advancing quality and circular solutions for our OEM's

SKF India's engagement with leading OEMs went beyond conventional supply to deliver tailored, high-value solutions. We enhanced product quality through manufacturing upgrades optimising greasing patterns, improving preload tolerance, and refining grinding processes. These improvements ensured longer bearing life and robust performance.

We also partnered with OEMs at the pre-RFQ stage to co-develop circular solutions like Recond oil and weight-optimised Gen 3 bearings. Our modular hub and sensorised bearing designs for 2W and 3W EVs significantly lowered total cost of ownership while elevating the ride experience. These collaborations not only delivered engineering innovation but also supported our customers' sustainability objectives. With a dedicated field service team providing on-ground support, we ensured faster issue resolution and strengthened trust among the customers.

Driving engagement, speed, and service for aftermarket

Our aftermarket efforts focussed on deepening relationships, simplifying processes, and rewarding loyalty. With the launch of App ka Humsafar and WhatsApp-based outreach, we enabled faster, multi-channel grievance redressal and product information sharing. Programmes like RPP and MPP offered real-time benefits via direct transfers, incentivising long-term engagement among retailers and mechanics.



We enhanced visibility through digital tools like Digi-Connect, Zylem DMS, and the SKF Web Part Finder. At the same time, SAP implementation across the business streamlined operations and increased transparency. To demonstrate our commitment to quality, we introduced a 15-month warranty, reinforcing reliability and customer trust.

Industrial

Delivering the bearings that move a nation

SKF powers India's Vande Bharat and green rail goals

SKF's partnership with Indian Railways continues to set benchmarks in reliability, localisation, and engineering excellence. In FY 2024–25, our Railways team played a vital role in powering India's semi high-speed Vande Bharat Express trains and supporting the country's ambition of becoming the world's largest green railway network by 2030.

Working closely with OEMs like Medha Traction and Servo, SKF developed high-performance bearings for propulsion and control systems, delivering critical components for 44 Vande Bharat trainsets. Our team went beyond product supply, creating SOPs, offering mounting and dismounting guidance, and ensuring aftermarket reliability resulting in 100% business share in drive system and anti-roll bar bearings, and 80% share for wheelset TBUs.

In parallel, we helped Indian Railways reduce dependency on imports by localising production of traction motor bearings, at our facility, essential components that were previously sourced from overseas. This initiative not only addressed lead time challenges but also reinforced our role as a strategic partner in 'Make in India' initiative.

> We are the first to provide localised bearings for Indian Railways' electric locomotives. With 60% market share in this segment, we're proud to support national industry and carbon neutrality goals.
>
> *— Sangeet Jain, Segment Head – Railways, Industrial Business*

Through these efforts, SKF is not just enabling better trains. We're building the backbone for sustainable, future-ready transportation across the country.

Digital lubrication for industry

SKF digitises lubrication for one of India's leading integrated steel producers

SKF India helped one of the country's largest integrated steel facilities transform its asset maintenance practices through intelligent, automated lubrication.

Faced with challenges like inaccessible lubrication points and inconsistent grease application, we partnered with the plant to implement a PLC-based TLSD 1-DK System, featuring dashboard reporting, alarms, and remote monitoring capabilities. This system ensures lubrication happens only when equipment is running, dramatically improving safety and equipment life.

Supported by one of our distributor, the installation covered 120 lubrication units across the Blast Furnace Plant in July 2024.

Following the successful results of our TLSD system, our IoT-based System 24 – TLDD is now also undergoing trials in various departments, with expansion discussions underway across other plants.

> **SKF's System 24 not only improved uptime and reduced manual risk but aligned perfectly with our digitalisation vision. Its adaptability makes it replicable across.**

This collaboration demonstrates how SKF's digitally enabled solutions can future-proof steel operations—enhancing reliability, safety, and operational intelligence.

Powering the future of sustainable energy

SKF wins main shaft bearing contract with one of India's leading wind turbine manufacturers

In a landmark achievement for SKF's renewable energy ambitions, we secured a major contract to supply main shaft bearings for one of India's leading wind turbine manufacturers, 3 MW wind turbine platform, a breakthrough that reaffirms our leadership in India's growing wind power sector.

This strategic win, spanning FY 2025-26, underscores the strength of SKF's cross-functional collaboration across engineering, manufacturing, sales, and supply chain teams. It also highlights our customer-first approach and commitment to delivering reliable, high-performance solutions for next-generation energy systems.

Their turbine is engineered to harness low-wind conditions prevalent across India.

What Drove Our Success –

Localised production from our plant enabled a cost-effective, flexible supply chain aligned with the clients delivery needs.

Competitive pricing and proven quality from our Dalian facility added strength to our global value proposition.

Collaborative engagement with one of India's leading wind turbine manufacturers ensured confidence in our engineering capabilities and operational reliability.

> As we celebrate this major win, we remain steadfast in our mission to drive innovation and excellence in the wind energy sector. Together, we will continue to forge new paths and achieve greater heights.

Abhijit Vispute
Segment Head – Wind & Defence and Services

This partnership marks more than a contract it's a statement of SKF's evolving role in the renewable energy value chain. As India accelerates its clean energy journey, SKF stands ready to power that future with precision, performance, and purpose.

Adding value for our people

EMPOWERMENT. ENGAGEMENT. EXCELLENCE.

We believe that empowered people create enduring impact. Our people-first philosophy is rooted in our core values of Care, Courage, Collaboration, and Curiosity. In FY 2024-25, our focus remained steadfast on creating a high-performance, inclusive culture where people feel valued, inspired, and equipped to succeed. Through strategic initiatives across talent acquisition, development, engagement, and diversity, we continued to build a workforce that is resilient, future-ready, and purpose-driven.

Value for SKF

A future-ready workforce that is deeply aligned with SKF Group and divisional strategies, embodying our entrepreneurial mindset, inclusive ethos, and performance-driven culture. Our people are empowered through continuous learning, diverse leadership journeys, and DEI-forward policies enabling us to consistently deliver differentiated value to customers and stakeholders.

An engaged and purpose-driven team committed to delivering exceptional customer experiences. We offer fair remuneration, holistic wellness programmes, meaningful career progression, and inclusive workspaces that foster collaboration, safety, and innovation ensuring our customers interact with a motivated and high-performing organisation.

Value shared

- INR 3,597.8 Million in employee-related monetary benefits
- 82 structured training interventions delivered across all functions
- Over 1,096 person hours of our employees engaged in community and CSR initiatives
- Workforce composition – 17.5% women and 82.5% men, with increasing gender diversity year-on-year

Purposeful talent acquisition and retention

We continued to focus on hiring not just for roles, but for values and potential. Our recruitment strategies were guided by a strong emphasis on diversity and cultural fit. We implemented inclusive hiring practices, streamlined recruitment cycles, and conducted structured post-joining feedback to strengthen candidate experience. These initiatives ensured that new hires felt welcomed, engaged, and aligned with our purpose from day one.

39%
Of all new hires in FY 2024-25 were women

83%
Participation in post-joining feedback sessions

4.86/5
Average satisfaction score from new joiners

Learning and leadership development

We recognise leadership as a mindset that must be nurtured at every level. This year, we advanced our leadership agenda through tiered development journeys that integrated coaching, peer learning, and live projects. Each programme was crafted to deepen strategic acumen, sharpen decision-making, and reinforce ownership across the organisation.

TRANSCEND

Serves as our flagship programme for mid-senior leaders, with a focus on enhancing stakeholder management, emotional intelligence, and execution agility. The programme blended online modules, in-person workshops, and leadership challenges to drive behaviour change.

Power the Future

A programme designed to prepare emerging leaders with a deep dive into self-leadership, self-awareness, and managing complexity. Through assessments, experiential learning, and reflection labs, participants were empowered to lead themselves before leading others.

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Future Leaders Equipped with Self-Leadership Tools

Leadership Accelerator Journey - Automotive

An intensive eight-month pathway for select high-potential employees to fast-track their readiness for senior roles. The journey combined personalised coaching, exposure to real-time business projects, immersive learning, and peer-to-peer feedback.

14

High-Potential Leaders Completed an Immersive 8-Month Leadership Journey

Manage Lead Coach (Finance)

A functional leadership development tailored for high-performing finance professionals. The programme built competencies in strategic finance, people leadership, and value creation for 28 finance leaders.

BESPOKE LEADERSHIP

Development for Finance Professionals

Diversity, equity & inclusion (DEI)

Our DEI journey progressed from aspiration to meaningful impact through a robust, data-driven roadmap. We began with a comprehensive diagnostic and maturity mapping exercise to identify critical gaps and align our goals with global DEI priorities. The result was a clearly defined DEI strategy that integrated inclusive hiring, equitable development opportunities, and support systems for underrepresented talent.

We championed gender inclusion, particularly in manufacturing functions, by creating a psychologically safe and physically supportive workplace. This included introducing childcare facilities at key locations and fostering community-building initiatives. Beyond infrastructure, we built networks of advocacy and mentorship to elevate internal voices and promote sustainable change.

17.5%
Gender Diversity across the workforce
(Up from 10.4%)

16.2%
Shopfloor women representation
(Doubled from 7.2%)

ROLLED OUT
DEI Programmes across locations

DEI Dashboard

Parivartan	A flagship initiative to break traditional barriers by creating opportunities for women in shopfloor roles. The programme provides role-readiness training, safety orientation, and mentorship support, enabling women to excel in non-traditional industrial settings.
SHE LEADS	A structured, cross-functional mentorship programme designed to empower high-potential women through one-on-one coaching, leadership exposure, and career navigation support. This initiative has played a pivotal role in increasing confidence and visibility for future-ready women leaders.
Career Climber	An intervention to spread more awareness, clarity, and drive more inspiration amongst women to drive their careers. Careers in Manufacturing & Finance in this FY has impacted the number of applications and interest in roles in these functions.

> The SHE LEADS mentorship gave me the confidence and clarity to take ownership of my career. Having a mentor who believed in me made all the difference.
>
> *– SHE LEADS Mentee, FY 2024–25*

Health and safety

At SKF India, safety is more than a compliance measure—it is embedded into every action, process, and decision. Aligned with our ambition of achieving Zero Injury, we are building a workplace where safety is second nature and every employee returns home safe, every day.

Our safety philosophy

Safety is a strategic priority across factories, sales offices, warehouses, and project sites.

Guided by global certifications –

ISO 14001:2015

ISO 45001:2018

ISO 50001:2018

Integrated safety practices into core business operations, supplier onboarding, and contractor policies.

Performance snapshot

FROM 3 TO 2 (↙ BY 33%)
Recordable accidents reduced

REDUCED FROM 0.42 TO 0.28
Accident rate

↗ BY 25% YOY
Proactive safety reporting

MACHINE SAFETY ASSESSMENTS
Conducted across all sites

Key highlights

Safety Skill Centre Launched

Mapped employee safety competencies and rolled out targeted training to build sharper risk awareness and skills.

Training & Awareness

Safety policies communicated across all levels—including suppliers and contractors—to ensure unified accountability.

Machine Safety Programme

Risk assessments completed for diverse machines to ensure safe and compliant operations across factory floors.

Safety Engagement Initiatives

Celebrated **National Safety Month** and **World Environment Day** across locations, fostering team-wide participation and awareness.

What's Next?

We continue to invest in structured programmes to reinforce a culture of vigilance and ownership. With increased proactive reporting and stronger safety behaviours across teams, we are on a focussed path toward building SKF India as a benchmark for workplace safety.

Employee volunteering and partnerships

Our commitment to community development is actively reflected in the contributions of our employees. In FY 2024-25, they dedicated 1,096 hours to various CSR initiatives, underscoring a strong sense of purpose and compassion. These efforts were amplified through collaborations with trusted NGO partners, who played a crucial role in delivering impactful programmes across education, skilling, environmental stewardship, and community empowerment.

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Trusted NGO Collaborations

Future-ready people practices

We continued to embed technology and analytics into our people strategy. Capability planning, data-led talent decisions, and regular maturity assessments helped us future-proof our workforce and align talent priorities with business goals.

Enhanced adoption of HR analytics for hiring, learning impact, and performance

Maturity assessments and capability heatmaps rolled out across functions

Environmental stewardship

PROTECT. PRESERVE. PROSPER.

At SKF, sustainability is not a standalone initiative – it is woven into the fabric of our purpose and operations. Anchored in our purpose, **'Together we re-imagine rotation for a better tomorrow,'** we strive to integrate sustainability across every link of our value chain. From sourcing materials and engaging suppliers to running our facilities and delivering value to customers, sustainability shapes our choices and fuels our drive to innovate.

Our approach is anchored in three strategic pillars that shape our journey forward –

Climate transformation

Reducing emissions and building climate resilience

Circularity

Using resources responsibly and designing for longevity

Responsible business

Ensuring ethical, transparent, and sustainable operations

Under each pillar, we have defined specific focus areas and action plans that will accelerate our transition to a more sustainable, resilient, and an inclusive future.

Climate transformation

Climate change is a present reality reshaping how businesses operate. At SKF, we recognise that as a manufacturing company with a strong operational footprint in India, it is vital to anticipate and address climate-related risks that could impact both our business continuity and the communities where we operate.

Many of our facilities are located in water-stressed regions. To safeguard our operations and support local ecosystems, we have made Water Neutrality a strategic priority. By adopting sustainable water practices, we aim not only to reduce our consumption but also to replenish local water resources through holistic management approaches.

We are equally focussed on reducing our greenhouse gas emissions. In line with our Group commitments, SKF India has set an ambitious target to achieve full decarbonisation by 2030 and become Net Zero by 2050. Our efforts span energy efficiency, renewable energy integration, and supplier engagement to ensure a low carbon value chain.

Our journey toward climate transformation is deliberate and data-driven. It is rooted in science, supported by innovation, and aligned with the urgent need to build a more resilient and sustainable future.

Circularity

We view circularity as a smarter, more responsible way of doing business. With finite natural resources under increasing pressure, we are rethinking how we use materials, manage waste, and extend the life of our products. Thus, ensuring that value is created at every step of the product lifecycle.

Our circularity journey is driven by innovation and grounded in action. Across our operations, we are focussed on three key priorities –

Reducing waste at source

We have implemented Integrated Waste Management Systems across our manufacturing sites that prioritise waste reduction, segregation, reuse, and recycling. This helps us minimise our environmental footprint while promoting resource recovery.

Optimising resource use

By adopting precision manufacturing practices and efficiency-focussed measures, we are improving productivity and yield. Our goal is to extract more value from the same inputs, lowering material consumption without compromising quality.

Developing circular solutions and services

Through our REMAN programme, we are remanufacturing large-size bearings (LSBs) and train bearing units (TBUs) to extend their lifecycle and reduce environmental impact. A remanufactured bearing can lower the carbon footprint by up to **90%** and requires **90% less energy** than producing a new one. These services are already making a measurable difference across the railway and steel sectors.

By embedding circularity into design, operations, and customer offerings, we are creating a more regenerative business, one where sustainability and performance go hand in hand.

Responsible business

At SKF, responsibility shapes how we work with suppliers, customers, and communities. We focus on transparent and accountable practices that support long-term sustainability.

We collaborate with suppliers to meet SKF's sustainability standards and build stronger ESG capabilities across our value chain. At the same time, we co-create products and services with customers that align with their sustainability and business goals.

We stay ahead of regulatory requirements, ensuring our operations are compliant and future-ready. Our Extended Producer Responsibility (EPR) initiatives have enabled 100% recycling of plastic packaging, helping us maintain a zero-plastic footprint.

Being a responsible business means acting with integrity and creating value that lasts for our partners, our operations, and the planet.

Decarbonisation story

SKF India is fully committed to environmental care and climate responsibility. In line with global sustainability frameworks such as SBTi, CDP, and the GHG Emission Protocol, we have set clear targets to decarbonise our manufacturing operations by 2030 and achieve Net Zero emissions by 2050.

These goals reflect not just compliance, but a deep-rooted commitment to lead with purpose and accountability in building a low-carbon future.

Driving operational decarbonisation (scope 1 and 2 emission)

SKF India is on track to achieve full decarbonisation of its manufacturing operations by 2030. Our strategy to reduce Scope 1 and 2 emissions focuses on three core levers –

- Improving energy efficiency across operations, targeting a 5% reduction per year
- Transitioning to near 100% renewable energy through solar and wind by 2030
- Phasing out fossil fuel use in heat treatment and internal transport by 2029

In FY 2024-25, our sites in Pune, Bangalore, and Haridwar implemented breakthrough projects in HVAC, grinding, and heat treatment systems. Notably, a 4.5 MW solar project became operational in June 2024 at Pune, followed by the commissioning of a 20 MW solar installation in October 2024. Together, these have elevated our renewable energy sourcing to over 95%.

All SKF India sites are now nearing RE100 compliance and are poised to achieve decarbonisation targets ahead of the global 2030 timeline.

Result

28% REDUCTION IN SCOPE 1 AND 2 EMISSIONS

in comparison over the previous year.

Collaborating across the value chain (scope 3 emissions)

To reach our Net Zero 2050 goal, we are extending our decarbonisation efforts across the value chain. This includes addressing upstream supplier emissions and downstream logistics.

Supplier Engagement

We have identified key direct material suppliers, such as ring and component manufacturers and steel mills, who contribute significantly to Scope 3 emissions. We have identified critical suppliers for our operations and have assessed them on their ESG maturity. We have integrated ESG questions as part of the COC audit for periodically assessing our supplier on their sustainability journey. At the same time, we are handholding our suppliers through capacity building and awareness sessions on sustainability topics.

Our goals include

15% EMISSIONS REDUCTION
from ring and forging suppliers by 2025

32% EMISSIONS REDUCTION
from all direct material suppliers by 2030

Additionally, we are working closely with Indian steel producers to meet the **SteelZero 2030** commitment, promoting the use of scrap steel and electric furnaces powered by clean energy.

Green Logistics

Our logistics team is focussed on reducing emissions associated with the delivery of finished goods to customers.

Strategies include

- Lane optimisation
- Use of CNG vehicles and electric vehicles for last-mile delivery
- Reduction of air freight, supported by a new approval tool and root cause tracking for unplanned usage

Awareness-building sessions are also conducted for employees, customers, and distributors to align on SKF's Net Zero vision.

We are targeting

40% REDUCTION
in emissions per tonne of goods shipped by 2025 (base year 2025)

35% OVERALL LOGISTICS EMISSIONS REDUCTION
by 2030 (base year 2030)

Major sustainability initiatives implemented during 2024-25

Pioneering renewable energy through VPPA

SKF India has made a major leap in its decarbonisation journey with the successful implementation of a Virtual Power Purchase Agreement (VPPA) project. While earlier efforts like rooftop solar installations at Pune and Bangalore laid the foundation, state-level policy and contract limitations made it challenging to scale renewable energy at the Pune and Haridwar sites. As a breakthrough solution, the sustainability team, in collaboration with our energy procurement team and a renewable energy partner, commissioned a 20 MW solar farm generating 30 GWh of clean energy annually. From January 2025, all SKF India sites began receiving IRECs generated through this VPPA, increasing our renewable energy sourcing from 45% to 100% and making us decarbonisation ready. This initiative alone will reduce emissions by approximately 21,000 tonnes of CO_2e each year.

Boosting energy efficiency through SustEn

Since 2012, our energy efficiency drive under the SustEn initiative has focussed on ISO 50001-certified practices. In FY 2024-25, our manufacturing sites achieved a 3% to 5% reduction in specific energy consumption by implementing –

Heat treatment upgrades

Improved insulation and PID-controlled solid-state heating systems, delivering 9%–11% energy efficiency gains.

HVAC system optimisation

EC+ direct coupled fans and VFD upgrades at Bangalore and Haridwar, plus automated condenser cleaning at Pune and Bangalore, resulting in up to 30% improvement.

Hydraulic power optimisation

Servo motor replacements and shared hydraulic pump systems cut energy use by 25%–30%.

Idle equipment energy reduction

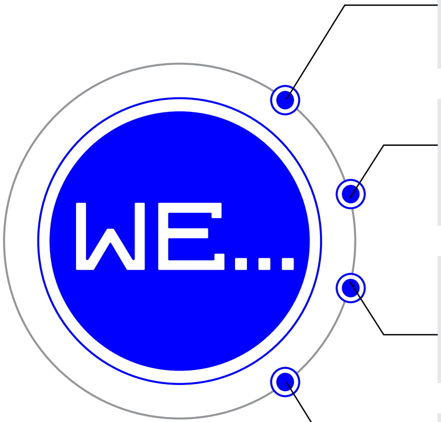
The ‘Go Green’ project ensures electrical devices auto-switch off during idle periods, yielding 10%-20% energy savings.

Extended producer responsibility (EPR)

SKF continues to lead in circular packaging practices by fully complying with EPR regulations. We achieved 100% recycling of our plastic packaging, maintaining a zero-plastic footprint and ensuring none of our waste enters the natural environment. We also continuously monitor regulatory changes to stay future-ready and fully compliant.

Driving smarter waste management

Our waste management practices are designed to reduce, recover, and repurpose. In FY 2024-25:

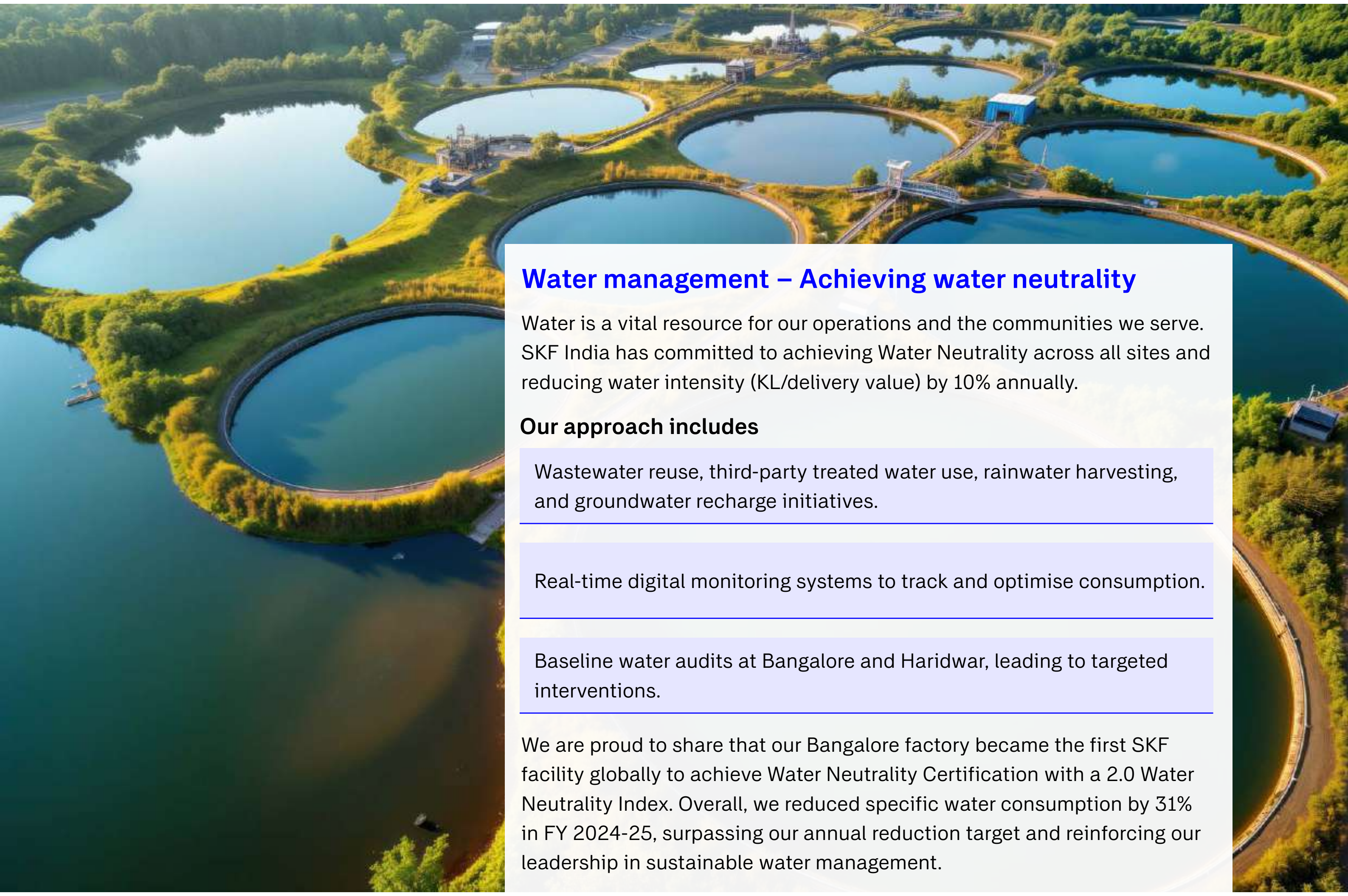


...Eliminated shrink wrap in packaging and introduced returnable solutions to cut down single-use plastics.

...Redirected waste from landfills to co-processing and recycling.

...Introduced source segregation across sites to boost recycling rates.

...Replaced disposable tissues and cups with air dryers and reusable items, promoting sustainability and hygiene. These efforts reinforce our commitment to environmental stewardship and support the circular economy.



Water management – Achieving water neutrality

Water is a vital resource for our operations and the communities we serve. SKF India has committed to achieving Water Neutrality across all sites and reducing water intensity (KL/delivery value) by 10% annually.

Our approach includes

- Wastewater reuse, third-party treated water use, rainwater harvesting, and groundwater recharge initiatives.
- Real-time digital monitoring systems to track and optimise consumption.
- Baseline water audits at Bangalore and Haridwar, leading to targeted interventions.

We are proud to share that our Bangalore factory became the first SKF facility globally to achieve Water Neutrality Certification with a 2.0 Water Neutrality Index. Overall, we reduced specific water consumption by 31% in FY 2024-25, surpassing our annual reduction target and reinforcing our leadership in sustainable water management.

Corporate social responsibility

COMMUNITY. CARE. COMMITMENT.

At SKF India, Corporate Social Responsibility is not a compliance exercise. Our efforts are deliberate and driven by the principles of creating sustainable value creation ensuring our long-term commitment to the wellbeing of communities we serve and in the process contribute to nation-building. Rooted in our purpose our CSR agenda is designed to deliver a lasting impact, where we operate, and more importantly, where the need is most acute.

We focus on catalysing systemic change at the intersection of Education, Empowerment, and Environmental Sustainability. Aligned with our values – Collaboration, Care, Courage, and Curiosity, we invest in interventions that enable equitable access, enhance employability, and strengthen sustainable livelihoods within marginalised sections of the society.

Our execution model is anchored in robust partnerships, with NGOs, government institutions, and like-minded corporations, ensuring that every initiative is contextually relevant, scalable, and measurable. Through this integrated, collaborative and impact-driven approach, we not only serve to the purpose of our beneficiaries, we extend the purpose and responsibility of our business beyond primary objectives. Our employees also actively engage in the CSR Programmes through volunteering for beneficiary/ community interactions, workshop engagements, and mentorship sessions strengthening our culture of care.

As we look ahead to the next 100 years of SKF in India, we are scaling our efforts through meaningful partnerships and higher social return on investment. Guided by the UN Sustainable Development Goals, our social programmes aspire to directly and indirectly impact over **400,000 lives by 2025**. Together, we are building a future defined by **opportunity, resilience, and environmental responsibility** for today, tomorrow, and beyond.

400,000 Lives
Impacted by 2025

Value for SKF

Through our thoughtful engagement with beneficiaries and communities, we aim to address key societal and environmental challenges. These efforts are aligned with India's development priorities and position SKF as a socially responsible corporate. In doing so, we also contribute to advancing the nation's socio-economic indicators.

Value shared

INR **135.44** Million
CSR expenditure

5 CSR
Programmes

78,178
Beneficiaries

Value for communities

Our CSR programmes are designed to empower lives by focusing on concerned areas of education, vocational training, and environmental sustainability. At the heart of our purpose is a clear commitment to enable people to unlock opportunity, uphold dignity, and earn livelihood. Our holistic approach in these programmes focuses on building confidence, fostering self-belief, and encouraging self-resilience to realise their full potential with pride and purpose.

Purpose in motion. Progress with impact.

At SKF India, social responsibility is purpose in motion, extending our values beyond factory floors into the heart of communities. We firmly believe that enduring progress must be inclusive, equitable, and sustainable.

This year, we deepened that commitment in partnership with communities, non-governmental organisations, and public institutions, across our flagship social initiatives - inclusive education for underserved children with special needs, youth employability through skill development, and sustainable access to clean water in rural regions - we continued to turn purpose into progress.

As we strive to touch over 400,000 lives by 2025, we engineer reducing friction in opportunities accelerating advancement for individuals, for communities, and for the nation. This philosophy continues to guide us, as we align our group purpose with national development goals and global sustainability imperatives.

As we look to the future, we remain committed to creating enduring value, not just through what we make, but through what we make possible.

Mr. Mukund Vasudevan
Managing Director

WeGyaan – STEM education

At SKF, we believe that education forms the basis for sustainable inclusive growth, with science, technology, engineering, and mathematics (STEM) education being crucial for realising that potential. Our primary initiative, WeGyaan, transcends traditional classroom education to foster curiosity, enhance analytical thinking, and inspire aspirations.

With WeGyaan, the intent is to provide enriching, practical STEM experiences that cater to each student's unique learning styles and interests. By utilising hands-on learning resources, science kits, and carefully crafted science labs in schools, we breathe life into concepts and enhance access to quality education in areas that require it most.

Impact isn't just measured in numbers, it's reflected in outcomes that last. Independent assessments show that 74% of students in our WeGyaan programme have demonstrated marked improvement in STEM learning, with average scores rising from 58% to 70%. This underscores the programme's effectiveness in strengthening critical thinking and equipping the next generation with the learning/ knowledge to succeed in a fast-paced, evolving world.

The programme also includes teacher training, mental well-being workshops, and career counselling, ensuring that students are not only educated but also supported, guided, and inspired to pursue careers in science and technology.

With 48,043 beneficiaries reached in 2025, we have surpassed our bold target of engaging 48,000 students. WeGyaan is actively shaping India's future talent pipeline one that will spark innovation, accelerate progress, and lead the nation towards a more inclusive and empowered tomorrow.

12 Locations

104 Schools

48,043 Beneficiaries (students)

SUCCESS STORY

Journey with STEM

Growing up in a modest home, Priya Jadhav always loved tinkering with machines but lacked access to structured STEM learning. Through SKF's **WeGyaan programme**, she gained hands-on exposure to STEM labs, mentorship, and guidance that unlocked her confidence.

Priya went on to pursue a degree in Computer Engineering and today, she's a **Software Developer at a leading tech firm** breaking barriers and inspiring other girls to dream beyond limits.

> STEM made science real for me. I didn't just learn – I built, questioned, and believed.

- Priya Jadhav

Udaan – scholarship for girls & divyaang

Access to higher education continues to pose challenges for many girls and divyaang students from economically disadvantaged backgrounds. At SKF, we are dedicated to breaking these barriers through our scholarship programme Udaan, promoting inclusivity, diversity, and equal opportunity.

Udaan serves as a road to empowerment. By aiding talented students in their pursuit of higher education in fields such as engineering, medicine, and teaching, the programme fosters ambitions and facilitates lasting social mobility. In addition to financial support, the Udaan includes mentorship sessions, soft skills training, and employability assistance.

By 2025, we aim to positively impact the lives of 568 girls and 80 divyaang students, fostering a ripple effect of empowerment in their communities. The results so far are encouraging – 28 Udaan scholars have landed positions in reputable multinational companies, earning an average starting salary of INR 4.5 Lakhs per annum, marking a strong entry into professional careers.

Through Udaan, SKF is committed to harnessing the transformative power of education empowering girls and divyaang students to achieve brighter and more equitable futures.

6 Locations

30 Divyaangs

568 Girls

SUCCESS STORY

Gateway to the Tech World

Shruti was determined to pursue higher education but limited family income stood in the way. With SKF's **Udaan scholarship**, she not only continued her academic journey but also received the mentorship and career guidance she needed.

Today, Shruti is a **Full Stack Developer at Codeblaze** a first-generation graduate now powering digital solutions and serving as a role model for many in her community.

> SKF saw my potential when I was just finding my voice. That belief changed everything.

- Shruti Patil

YES – youth empowerment at SKF - skill development

India's demographic dividend presents both a powerful opportunity and a pressing challenge – how to equip its youth with the future ready skills to participate and contribute meaningfully in a rapidly evolving economy.

YES addresses the critical skill gap by offering training through its dedicated skilling centres designed not only to build technical capabilities but also to enhance entrepreneurial, digital, and soft skills. The curriculum includes modules for job roles best suited for girls and in the process empowering them for life.

To date, the programme has trained 1,934 youth across 7 YES centres, with an impressive 74% placement rate. Notably, 24% of beneficiaries are girls, and 18 alumni have gone on to launch their own entrepreneurial ventures, which for us is a strong validation of the programme's transformative impact.

By 2025, SKF aims to empower 6,300 youth through YES, contributing to a self-reliant, skilled India.

Through YES, SKF is not just teaching skills, it is shaping the livelihoods, fostering dignity, and enabling the next generation to take charge of their futures.

7
Centres

18
Entrepreneurs

1,934
Beneficiaries Trained

24%
Girls Beneficiaries

74%
Employment

SUCCESS STORY

Self-Made Journey

With limited means but big ambitions, **Ravindra Chaudhary** joined the SKF YES Centre to train as a Four-Wheeler Technician. What started as a learning opportunity soon transformed his life trajectory.

Equipped with technical skills, business acumen, and mentorship from the programme, Ravindra went on to **launch his own garage** today earning over **INR 30,000 per month** and creating employment for others.

> The YES Centre didn't just train me, it gave me the confidence to dream big and build something of my own."

- Ravindra Chaudhury

Water sustainability – environment

Every drop of water holds the promise of life, yet in various regions of India, this vital resource is at risk. Decreasing rainfall, increasing temperatures, and frequent droughts have made water stress a constant challenge, particularly in the arid and semi-arid areas of the country. At SKF, we acknowledge this acute situation and have integrated water sustainability to the core of our CSR efforts.

This programme is designed to enable resilient, self-reliant rural communities where villages and villagers can thrive on their own terms. Implemented in 35 villages across Gujarat, Uttarakhand, and Rajasthan, it integrates traditional wisdom with modern techniques to transform the way water and water bodies are re-energised and conserved. By revitalising ancient village ponds and constructing roof rainwater harvesting systems as well as soak pits, we enable communities in capturing, storing, and accessing clean water more consistently. It is about delivering far more than infrastructure – improved health, reduced migration, restored basics, and reclaimed time, especially for women and children.

This initiative grounded in deep community involvement and participation at every level, every stage, from planning to implementation, we ensure that the solutions are not only sustainable but truly owned by the people who benefit.

In regions where water scarcity directly threatens livelihoods and health, this intervention promised a better tomorrow where nature and people can thrive together.

35 Villages

8,747 Households

14 Village Ponds

1,55,700 Cubic Meter Water Storage

65,612 Beneficiaries

103 Roof Rainwater Harvesting Structures

SUCCESS STORY

How a simple roof became a lifeline

In a village once burdened by erratic water supply, SKF's **Roof Rainwater Harvesting Structures (RRWHS)** turned scarcity into sustainability. By capturing and conserving rainwater, households now have access to clean, reliable water even through the dry months.

This community-led effort restored not just water levels, but also dignity and health.

> "Earlier, we walked miles for water. Today, clean water flows from our own rooftops."

- Sowani Devi

India wins Gothia Cup 2024

In a landmark initiative under SKF India's CSR programme, the Company partnered with Special Olympics Bharat to support India's debut at the Gothia Special Olympics Trophy 2024 in Sweden. The team of 10 athletes, 3 coaches, and SKF representatives made the nation proud by defeating global competitors and securing a 4-3 penalty shootout victory against Denmark to win the trophy.

More than a sporting triumph, the initiative served as a platform for inclusion, dignity, and growth. SKF India supported the journey end-to-end – facilitating training camps, providing equipment and travel support, and participating in the team's post-event felicitation. The achievement was celebrated at a national event attended by Minister of State Raksha Khadse, Special Olympics Bharat Chairperson Dr. Mallika Nadda, and SKF India President Mukund Vasudevan.

SUCCESS STORY

Journey to confidence

Before the tournament, Adib, one of the participating athletes, was hesitant to speak, often shying away from social interaction. With consistent support during the training camps and the exposure of international travel, he began to open up.

Post-Gothia, Adib now follows a structured fitness routine, engages more openly in conversations, and leads his local team's warm-up sessions. His transformation from a quiet player to a self-assured young leader is a testament to the life-changing power of opportunity and belief.

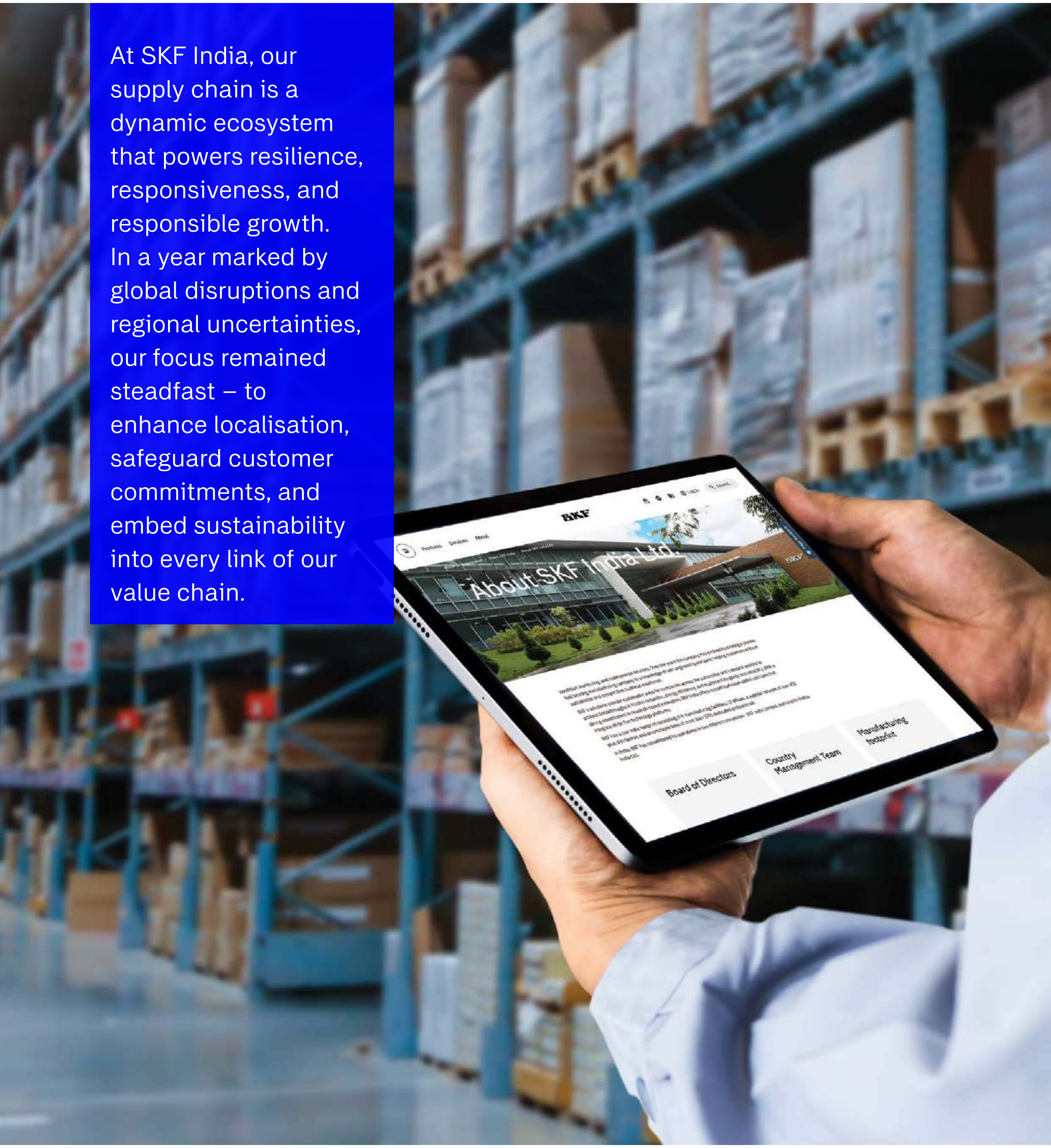
- Adib Khan

SKF

Creating value for our suppliers

PARTNERSHIP. PROGRESS. PROSPERITY.

At SKF India, our supply chain is a dynamic ecosystem that powers resilience, responsiveness, and responsible growth. In a year marked by global disruptions and regional uncertainties, our focus remained steadfast – to enhance localisation, safeguard customer commitments, and embed sustainability into every link of our value chain.



Key Initiatives in FY 2024-25

Enhancing supply chain efficiency

- Achieved over **80% component localisation** across our bearing factories.
- Aligned our manufacturing footprint more closely to customer locations, improving agility and service response.

Managing global disruptions with speed

- Navigated the **Suez Canal closure and Red Sea crisis** by realigning lead times, increasing air freight for critical shipments, and building buffer stocks.
- Reduced **service failures from 30% to 15% in just 3 months** through decisive, cross-functional collaboration.

Optimising logistics and distribution

- Onboarded multiple logistics partners to reduce reliance and increase route flexibility.
- Improved ocean shipment visibility with digital tracking tools.
- Consolidated shipments to maximise FCL usage and minimise transshipment delays.
- Strengthened operational processes through tighter collaboration with distribution partners.

Advancing sustainable and ethical sourcing

- Achieved an **8% reduction in Scope 3 emissions** (vs. 2022 baseline) for steel and rings.
- Upgraded **25 suppliers** through SKF's ethical sourcing and Code of Conduct (CoC) compliance framework.
- Integrated ESG parameters, aligned with BRSR and CSRD, into our sourcing checklist.

Cutting transportation emissions

- Optimised domestic freight through better route planning and load consolidation.
- Improved truck fill rates from **40% to 72%**, raising FTL share and reducing GHG emissions by 30% (from 9,790 to 6,860 tons).
- Launched dedicated supplier sessions during **Compliance Week** to drive awareness on sustainable logistics.

Looking Ahead

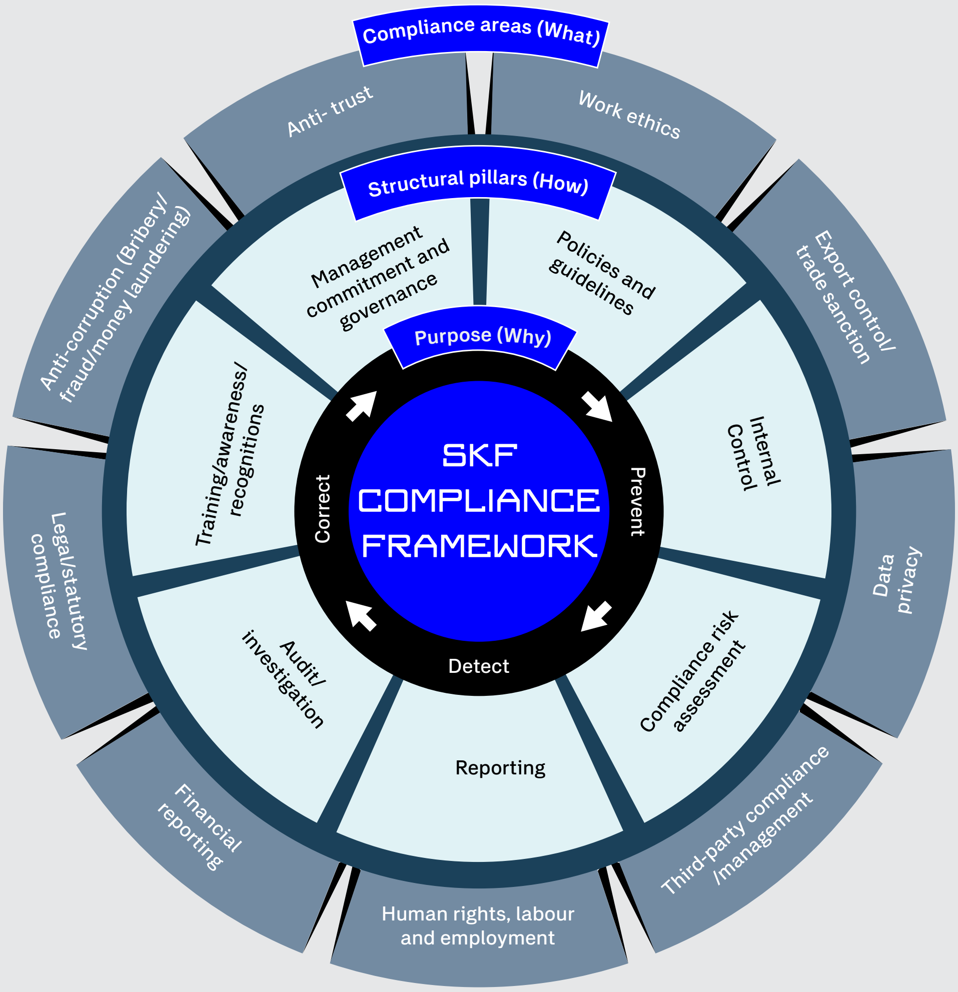
We are preparing for a future where our supply chain becomes a strategic differentiator—more localised, digitally integrated, and environmentally efficient. As we continue embedding ESG criteria into procurement and expand real-time visibility tools, we are committed to ensuring that SKF India's supply chain remains as progressive as the products it supports.

TRUST.
TRANSPARENCY.
TRANSFORMATION.

At SKF India, governance is not just a framework – it is a way of working that reflects our commitment to doing the right thing, always. Integrity forms the bedrock of our operations, guiding our actions with a strong sense of economic, social, and ethical responsibility. Every decision is underpinned by principles of transparency, accountability, and fairness.

We expect every employee to uphold the highest standards of conduct and take full ownership of their actions. Our structured compliance framework equips them to navigate regulatory complexities and embrace SKF's ethical culture with clarity and confidence.

In FY 2024-25, we enhanced our governance efforts through a series of awareness programmes, online and in-person training sessions, and compliance campaigns focussed on key risk areas. These initiatives were designed not just to inform but to empower employees to make responsible choices, fostering a culture of openness and accountability across every level of the organisation.



Compliance week 2024 – celebrating #EthicsInAction

Reinforcing our belief that ethics is everyone's responsibility, SKF India observed **Compliance Week 2024** under the global theme **'Doing the Right Thing'.** The initiative aimed to embed SKF's core values into daily actions and inspire every team member to act with integrity, transparency, and accountability.

Embedding values through everyday actions

Compliance Week was designed to be more than a symbolic gesture it was a call to action. By integrating ethical reflection into day-to-day decisions, the initiative fostered a deeper sense of ownership and encouraged open dialogue on integrity at every level of the organisation.

Engaging our full ecosystem

What set this year's celebration apart was its all-inclusive approach

Employees, contractors, distributors, and suppliers across **28 ISEA locations**, including all SKF India factories and offices, participated.

2,759 employees took part in activities throughout the week.

The digital campaign reached **over 4,174 individuals** across platforms, amplifying awareness.

697 employees participated in the compliance quiz, testing and deepening their knowledge.

A 'compliance with coffee' session with **Mukund Vasudevan** was attended by over **1,234 employees**, reinforcing leadership alignment on governance and values.

16+ supplier teams were actively engaged, promoting shared accountability across the value chain.

Activities that inspired action

to make compliance accessible and engaging, a wide variety of creative activities were held –

- Snakes & Ladders, Spin the Wheel, quizzes, and pledge walls encouraged learning through play.
- Photo booths and a cake-cutting ceremony added energy and visibility across locations.
- Every site brought its own unique flair to the celebration, reinforcing local ownership and participation.

Reinforcing policy awareness

to strengthen our compliance framework, key policy documents were reintroduced and spotlighted during the week –

- New code of conduct

This ensured that every employee and partner was aligned with the latest expectations and ethical standards.

Recognising our compliance champions

Our Compliance Ambassadors played a pivotal role in driving engagement and upholding a culture of integrity throughout the event. Their contributions were acknowledged and celebrated, reinforcing the idea that everyone can be a catalyst for positive change.

Leadership that sets the tone

Voices from SKF's leadership gave the campaign its momentum and meaning.

Our culture of integrity, respect, and trust is paramount. It builds the foundation upon which we make bold decisions, drive responsible growth, and sustain long-term success. In an ever-evolving business landscape, our adherence to these values sets us apart, reinforcing our reputation and building an environment where transparency and ethical practices thrive. As we celebrated Compliance Week 2024 from October 14-18 across India and Southeast Asia, I am proud to emphasise our steadfast commitment to ethics and compliance which are cornerstones of our purpose-led company.

Throughout this week, we organised a series of activities designed to deepen our understanding of compliance principles and encourage active participation. By engaging in these activities, we strengthened our collective resolve to maintain the highest standards of integrity in all our operations.

Together, we strive to build a responsible company that not only meets but exceeds the expectations of our stakeholders.

Mr. Mukund Vasudevan
Managing Director

Global leaders **Mathias Lyon (SVP & General Counsel)** and **Ann-Sofie Zak (SVP, People Experience & Communications)** echoed this sentiment, urging employees to continue holding themselves to the highest standards of honesty and integrity as per the new code of conduct.

Compliance Week 2024 was not just a moment, it was a movement. A movement to reaffirm our collective responsibility and renew our commitment to the values that define SKF. As we move forward, this shared foundation of integrity will continue to guide our growth and purpose-led transformation.

CORPORATE INFORMATION

Board of Directors & Key Managerial Persons (KMPs)

Mr. Gopal Subramanyam
Chairman and Non-Executive Independent Director

Ms. Anu Wakhlu
Non-Executive Independent Director

Ms. Kerstin Enochsson
Non-Executive Non-Independent Director

Mr. Karl Robin Joakim Landholm
Non-Executive Non-Independent Director

Mr. Mukund Vasudevan
Managing Director

Mr. Shailesh Sharma
Whole-time Director (w.e.f. 13th February, 2025)

Mr. Ranjan Kumar
Company Secretary and Compliance Officer

Mr. Ashish Saraf
Chief Financial Officer

Committees of Board

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration and Committee
- Risk Management Committee
- Corporate Social Responsibility Committee

Auditors

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

Secretarial Auditors

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

Bankers

The Hong Kong Shanghai Banking Corporation Ltd

HDFC Bank LTD

Yes Bank Ltd

Deutsche Bank

State Bank of India

Citi Bank

Share Transfer Agent

MUFG Intime India Private Limited

(Erstwhile Link Intime India Private Limited)

DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company are pleased to present the 64th Annual Report, with audited financial statements (standalone and consolidated) for the financial year ended on 31st March, 2025.

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

INR in MINR ("Million")

	Year Ended		Year Ended	
	31st March, 2025 Standalone	31st March, 2024 Standalone	31st March, 2025 Consolidated	31st March, 2024 Consolidated
Revenue from Operations	49,199.2	45,701.3	49,199.2	45,701.3
Other Income	1,014.5	940.1	1,014.5	940.1
Total Income	**50,213.7**	**46,641.4**	**50,213.7**	**46,641.4**
Operating Expenditure	41,751.9	38,537.5	41,752.6	38,537.5
Depreciation	830.8	746.0	830.8	746.0
Profit before Tax	**7,631.0**	**7,357.9**	**7,630.3**	**7,357.9**
Share of Net Profit/(loss) of Associate	-	-	1.7	0.3
Provision for Taxation	1,972.9	1,840.2	1,972.9	1,840.2
Profit after Tax	**5,658.1**	**5,517.7**	**5,659.1**	**5,518.0**
Other Comprehensive Income	(80.1)	(126.8)	(80.1)	(126.8)
Total Comprehensive Income for the Period	**5,578.0**	**5,390.9**	**5,579.0**	**5,391.2**

2. **Operations:**

The Standalone Revenue from operations of the Company for the year ended on 31st March, 2025, stood at INR 49,199.2 Million compared to INR 45,701.3 Million in the previous year. The Company's Standalone Profit before Tax for the year under review was INR 7,631.0 Million compared to INR 7,357.9 in the previous year.

The Standalone Profit after Tax for this period was INR 5,658.1 Million, compared to INR 5,517.7 Million during the previous year.

The Company incurred a capital expenditure of INR 1,313.9 Million during the year.

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

The standalone and consolidated financial statements of the Company for FY 2024-25 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 of FY 2024-25.

Pursuant to Section 129(3) of the Act, a statement containing the salient features of the Financial Statements of the associate company in the prescribed Form AOC-1 forms a part of the Annual Report as **AOC-1 - 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 in the 'Investors' 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 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'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 offers customised value-added solutions that integrate all its five technology platforms.

M/s AB SKF (the Promoter Shareholder of the company) expressed the decision of its Board to initiate the separation of its automotive business globally.

In line with this direction, the Board of the Company evaluated and discussed various alternatives for the segregation of its Automotive and Industrial businesses. After due consideration, the Board determined that a demerger of the Industrial business was the most suitable option. The Board noted this decision in its meeting held on 08th October 2024, and granted its in-principle approval to proceed with the segregation through a Scheme of Arrangement.

To facilitate this, a wholly owned subsidiary in the name and style of SKF India (Industrial) Limited was incorporated on 17th December 2024. The incorporation was duly intimated to the stock exchanges within the prescribed timeline. Subsequently, the Company applied to NSE and BSE for a No Objection Certificate (NOC) in respect of the proposed Scheme of Arrangement, and NOCs were received from both exchanges on 28th March 2025.

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), and based on the recommendations of the Audit Committee and the Independent Directors, the Board of Directors has approved a Scheme of Arrangement ("Scheme") between:

- SKF India Limited ("Demerged Company"), and
- SKF India (Industrial) Limited ("Resulting Company", a wholly owned subsidiary),

along with their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013.

This Scheme provides for the demerger of the Company's Industrial Business (as defined in the Scheme) into SKF Industrial, forming the basis of the Proposed Transaction.

The copy of the scheme along with relevant document are also available on company's website: https://cdn.skfmediahub.skf.com/api/public/09246abb5c641445/pdf_preview_medium/09246abb5c641445_pdf_preview_medium.pdf

https://www.skf.com/in/investors/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 2024-25 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 FY 2024-25, the Company has declared a dividend as the final dividend of INR 14.5/- per equity share of INR 10/- each to its shareholders .

FY 2024-25 exceptional year with demerger announcement, aforesaid dividend is recommended due to with capex & Split in Cash in Demerger . The

Board of Directors at their meeting held on 15th May, 2025 has recommended the payment of INR 14.5/- per equity share of the face value of INR 10/- each as the final dividend for the financial year ended 31st March, 2025, compared to INR 130/- per equity share for the preceding financial year ended 31st March, 2024. The pay-out is expected to be INR 716.9 Million, the payment of the final dividend is subject to the approval of the shareholders of the Company at the ensuing 64th Annual General Meeting (AGM) of the Company to be held on 06th August, 2025.

The record date is Friday, 04th July, 2025, for the purpose of determining the eligibility of the shareholders for payment of the dividend for the financial year ended 31st March, 2025.

As per the Income Tax Act, 1961 (the Act), as amended by the Finance Act, 2020, dividends paid or distributed by a company after 01st 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 2016-17 was transferred to the Investor Education and Protection Fund (IEPF).

8. Share Capital Structure and Listing of Shares:

The paid-up share capital of the Company as of 31st March, 2025, 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 the 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 2024-25. As on 31st March, 2025, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

9. Awards and Accolades:

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

a) Pune:

1. QCFI "Energy Conservation - 2024" Bhosari Factory Maintenance (Case Study)- Gold Award
2. QCFI "Energy Conservation - 2024" Bhosari Factory Maintenance (Case Study)- Gold Award
3. QCFI "Energy Conservation - 2024" Bhosari Factory Maintenance (Slogan) - Gold Award
4. QCFI "Energy Conservation - 2024" Bhosari Factory Maintenance (Poster) - Gold Award
5. QCFI "Energy Conservation - 2024" Bhosari Factory Maintenance (Poster) - Gold Award
6. CII "CII National 3M Competition" Online SHO Team-Platinum Award
7. CII "CII National 3M Competition" Online Resetting Team-Gold Award
8. CII "CII National 3M Competition" Online Factory Maintenance Team-Gold Award
9. CII "49th National Kaizen Competition-2024 Bengaluru" Resetting Team-Platinum Award
10. CII "49th National Kaizen Competition-2024 Bengaluru" DGBB Team-Platinum Award
11. CII "Digitalization & Artificial Intelligence for Quality Improvements" Online – Factory Maintenance Team – Bronze Award
12. CII "Digitalization & Artificial Intelligence for Quality Improvements" – Online Factory Maintenance Team – Bronze Award

13. QCFI "39th CCQC Kaizen Competition" Bhosari Factory Maintenance Team (Case Study) – Gold Award
14. QCFI "39th CCQC Kaizen Competition" Bhosari Factory Resetting Team (Case Study) – Gold Award
15. QCFI "39th CCQC Kaizen Competition" Bhosari SHO Team (Case Study) – Gold Award
16. ICQCC "International Convention on Quality Control Circles" Colombo, Sri Lanka TRB Team – Gold Award
17. CII "Challenger Trophy Innovative Category" Online – DGBB Team – Jury Challenger
18. CII "Challenger Trophy 3M Muri" Online Resetting Team-Jury Challenger
19. CII "Challenger Trophy 3M Muda" Online Factory Maintenance Team-Jury Challenger
20. CII "Challenger Trophy 3M Muda" Online HUB Team-Jury Challenger
21. CII "Champion Trophy MURI Category" Online TRB Team – Jury Champion Award
22. CII "Champion Trophy MUDA Category" Online SHO Team – Jury Champion Award
23. CII "Champion Trophy Renovation Category" Online Factory Resetting Team – Jury Champion Award
24. NCQC "38th National Convention on Quality Concepts" NCQC-2024" Gwalior – Allied kaizen – SHO Team-Excellence Award
25. NCQC "38th National Convention on Quality Concepts" NCQC-2024" Gwalior – Allied kaizen – Factory Maintenance Team-Excellence Award
26. NCQC "38th National Convention on Quality Concepts" NCQC-2024" Gwalior – Allied kaizen – Factory Resetting Team- Par Excellence Award
27. SCHMRD "Corporate Excellence Award-2025" Pune-Factory Maintenance (Maintenance Challenger) – Winner Award
28. SCHMRD "Corporate Excellence Award-2025" Pune - Factory Maintenance (Maintenance Challenger) – Winner Award
29. CII "51St CII National Kaizen Competition" – Online – Roller Team – Gold Award
30. CII "51St CII National Kaizen Competition" – Online – BUI Team – Gold Award
31. CII "51St CII National Kaizen Competition" – Online – Factory Resetting Team – Platinum Award
32. CII "10th National Competition on Low-Cost Automation (LCA) - Leveraging Low-Cost Digitalization" – Online- Factory Maintenance – Platinum Award
33. QCFI – "Safety Week Competition 2025" – Bhosari – Kushal Team – Gold Award
34. QCFI – "Safety Week Competition 2025" – Bhosari – DGBB Team – Gold Award
35. QCFI – "Safety Week Competition 2025" – Bhosari – Roller Team – Gold Award
36. QCFI – "Safety Week Competition 2025" – Bhosari – Factory Maintenance (Skit) Team – Gold Award
37. QCFI – "Safety Week Competition 2025" – Bhosari – TRB(Poster) – Silver Award
38. QCFI – "Safety Week Competition 2025" – Bhosari – Resetting (Poster) – Bronze Award
39. QCFI – "Safety Week Competition 2025" – Bhosari – HUB (Slogan) – Gold Award
40. QCFI – "Safety Week Competition 2025" – Bhosari – Factory Maintenance (Slogan) – Gold Award

b) Haridwar

1. Project – "Capability Improvement of Bore grinding process" Quality Circle forum of India-Gold award - 2024
2. National convention on quality concepts NCQC by-gold award Dec - 2024
3. "Participated in 10th convention on quality concepts" Organized by "Quality circle forum of India Rudrapur-gold award - 2024
4. "External kaizen competition QCF1 12th kaizen competition" winner team Haridwar – Gold award-2024
5. "Best supplier quality management" award from Honda - 2024-25

6. "Super platinum award by Bajaj auto for year - 2024
7. ICQCC 2024 international convention on Quality control circle award - 2024
8. RCCQC-2024 - Gold award in QCF1 – 10th convention on quality concept
9. QCF1 kaizen competition and gold award in - 2024
10. National convention on quality concepts NCQC by-gold award Jan-2024
11. HCCQC 2023-QCF1 Haridwar chapter 13th convention on quality concept-gold award

c) Bengaluru

1. CII "48th CII National competition" Online – Maintenance Team – Platinum Award
2. CII "Indian Industry Master Mind Quiz" – Participation Only
3. CII "49th National Kaizen Competition" Online – Manufacturing Process-Silver Award
4. CII "49th National Kaizen Competition" Online – Engineering-Silver Award
5. QCF1 kaizen competition and gold award in - 2024
6. ICQCC 2024 international convention on Quality control circle award - 2024
7. NCQC "38th National Convention on Quality Concepts" NCQC-2024" Gwalior – Factory Resetting Team-Excellence Award
8. NCQC "38th National Convention on Quality Concepts" NCQC-2024" Gwalior – Supply Chain Team-Excellence Award
9. CII "17th National Poke Yoke Competition" Online – Platinum Award

10. 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.**

11. 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 2024-25 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 Disclosure Requirement) Regulation ("**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, the Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in 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.

12. Directors and Key Managerial Personnel:

a) Changes in Directors:

- Based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors approved the appointment of Mr. Mukund Vasudevan (DIN: 05146681) as Managing Director of the Company, not liable to retire by rotation for a period of five (5) years with effect from 08th April, 2024. The shareholders subsequently approved his appointment through postal ballot resolution passed on 21st June, 2024.

  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.

- Based on the recommendations of the Nomination & Remuneration Committee, the Board of Directors approved the appointment of Ms. Kerstin Enochsson (DIN: 10774889), as Non-Executive Non-Independent Director of the Company with effect from 17th September, 2024, who shall be liable to retire by rotation.

  The necessary shareholders' approval was obtained by the Company through a postal ballot resolution passed on 16th November, 2024, within the prescribed timeline in accordance with the SEBI LODR

  Ms. Kerstin Enochsson 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. David Leif Henning Johansson (DIN: 09651955), resigned from the position of Non-Executive Non-Independent Director of the Company and from the Board of the Company with effect from conclusion of Board Meeting held on 17th September, 2024 due to other occupancies.

- Mr. Manish Bhatnagar (DIN: 08148320) resigned from the position of Non-Executive Non-Independent Director of the Company and from the Board of the Company with effect from 13th February, 2025 due to other occupancies.

- Mr. Shailesh Kumar Sharma (DIN: 09493881), whole-time Director of the Company had resigned from his position as Whole-time Director and Board of the Company with effect from 08th April, 2024, however, on recommendations of the Nomination & Remuneration Committee, the Board of the Company approved the appointment of Mr. Shailesh Kumar Sharma as an Additional Director of the Company. The Board further approved the appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Whole-Time Director of the Company for a period of five (5) years with effect from 13th February, 2025, subject to the approval of the shareholders of the company. He shall be liable to retire by rotation.

  As on date, the necessary shareholders' approval has been obtained by the Company through a postal ballot resolution passed on 30th April, 2025, within the prescribed timeline in accordance with the SEBI LODR

  Mr. Shailesh Kumar 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. Karl Robin Joakim Landholm (DIN: 09651911) is liable to retire by rotation this year again and is proposed to be reappointed by shareholders at the ensuing 64th Annual General Meeting ("64th AGM").

  A brief profile of the person sought to be appointed/reappointed as Director(s) at the 64th AGM of the Company are attached to the Notice of the Annual General Meeting sent to the shareholders.

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

As mentioned above, Mr. Mukund Vasudevan was appointed as Managing Director of the company with effect from 08th April, 2024 as recommended by the Nomination and Remuneration pursuant to change in Role of Mr. Manish Bhatnagar in SKF Group, and The necessary shareholders' approval was obtained by the Company through a postal ballot resolution passed on 21st June, 2024, within the prescribed timeline in accordance with the SEBI LODR

Mr. Shailesh Kumar Sharma was appointed as Whole-Time Director of the Company with effect from 13th February, 2025.

As on date, necessary shareholder approval has been obtained by the Company within the prescribed timeline as per SEBI LODR.

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.

13. Declaration From Independent 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 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.

14. 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 CG Report. These domains are integral parts 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 (IICA") ensures that the skills and knowledge is appropriate and beneficial to the Company.

Further, Mr. Gopal Subramanyam's registration has been renewed from 27th February, 2025 till lifetime with IICA.

Ms. Anu Wakhlu's name is registered with IICA and is valid till February 2026, necessary renewal will be done by the Director.

15. Key Managerial Personnels:

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMPs) of the Company as on 31st March, 2025:

- *Mr. Mukund Vasudevan, Managing Director
- **Mr. Shailesh Sharma, Whole-time Director
- Mr. Ashish Saraf, Chief Financial Officer
- Mr. Ranjan Kumar, Company Secretary and Compliance Officer.

Note: *Mr. Mukund Vasudevan was appointed as Managing Director w.e.f. 08th April, 2024.

**Mr. Shailesh Sharma was appointed as Whole-time Director w.e.f. 13th February, 2025, as mentioned in 12(a).

16. Board and Its Committee Meetings:

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 to be held in the calendar year 2025 is circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board has also been approving proposals by circulation from time to time.

During FY 2024-25, 7 (seven) 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, Stakeholder Relationship Committee, Risk Management Committee, and Corporate Social Responsibility Committee, are included in the **Corporate Governance Report**, which is a part of this document as **Annexure-B**.

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

17. **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/Chairman/self-assessment, covering various relevant criteria such as degree of fulfillment 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 Chairman.

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.

18. **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 Company's business model, the risks and opportunities, the new products, innovations, sustainability measures, digitisation measures, financials updates, manufacturing updates, global updates, 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://www.skf.com/binaries/pub12/Images/0901d196809a6abc-Familiarisation-Programme-for-IDs_tcm_12-526435.pdf

19. **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.

20. **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 Obligation and Disclosure Requirements), 2015, it 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 Ms. Kerstin Enochsson (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.

21. 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. Mukund Vasudevan (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 Responsibilities 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/0901d19680cb2f37/pdf_preview_medium/0901d19680cb2f37_pdf_preview_medium.pdf

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

22. Corporate Social Responsibility:

At SKF India, Corporate Social Responsibility is not a compliance exercise, it is a deliberate, strategic lever that drives sustainable value creation and reinforces our long-term commitment to giving back to communities and contribute to nation-building. Rooted in our purpose and embedded within our business strategy, our CSR agenda is designed to deliver real impact, where we operate, and more importantly, where the need is most acute.

We focus on catalyzing systemic change at the intersection of Education, Empowerment, and Environmental Sustainability. Aligned with our values, Collaboration, Care, Courage, and Curiosity, we invest in high-impact interventions that enhance employability, enable equitable access, and strengthen sustainable livelihoods within underserved marginalized communities.

Our execution model is anchored in robust partnerships, with NGOs, government institutions, and like-minded corporations, ensuring that every initiative is contextually relevant, scalable, and measurable. Through this integrated and impact-driven approach, we not only uplift communities, but we also extend the purpose and responsibility of our business beyond SKF's primary business objective.

The CSR Committee provides strategic oversight and ensures rigorous governance, monitoring both impact and compliance. A comprehensive overview of our CSR policy and activities for FY 2024–25, along with the CFO Certification, is detailed in **Annexure-C** of the Annual Report.

The total unspent CSR amount for FY 2024-25 under review is INR **Nil**.

23. 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. Considering the big decision of Split of Business and Demerger Activities, currently the focus area for the Management is on demerger. It was proposed to have the detailed exercise of the ERM post-demerger.

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 Senior 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 website of the Company.

https://cdn.skfmediahub.skf.com/api/public/09473f8ac2b09363/pdf_preview_medium/09473f8ac2b09363_pdf_preview_medium.pdf

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

24. Safety/Sustainability Safety:

a) Safety:

With an aim to achieve "ZERO INJURY", the Company has adopted a structured approach toward implementing health & safety management system, policies and programs to integrate safety with business processes to continuously improve safety performance.

The Company is certified to ISO 14001:2015, ISO 45001:2018 and ISO 50001:2018 with assured compliance with the standards. We want to set standards that go above and beyond the certified management systems. We strive to help improve safety by sharing our safety standards and experience with operators, contractors, and professional organizations. Safety risks are managed across our businesses using standards, controls, and compliance systems. More focus is given to the elimination of unsafe acts and conditions.

Safety of employees remains the Company's foremost priority. A focus on Safety is one of the top priorities of the Company and this is also incorporated into our strategy. The Company always gives focus to safety and the well-being of employees. The Company is committed to providing a safe and healthy environment, which is free from any kind of injuries, accidents and occupational health hazards.

The Company also started mapping the Safety competency of the employees & plan actions to improve Skills & knowledge through our newly launched "Safety Skill Centre". Training and awareness are considered key elements of our safety strategy. The Company EHS practices and policies are also communicated to all contractors and suppliers, so they understand our safety requirements and follow them. The Company always takes a safety-first approach while taking any business decision.

We commemorate National Safety Month and World Environment Day at all sites where we engage all stakeholders to create widespread awareness across all sites. SKF India factory sites also launched ambitious program on Machine Safety which focus on risk assessment of variety of machines with an aim to make these machines safe to operate.

This year also we will continue with our structured programs with the objective of encouraging a strong safety culture in the factories, Sales Offices, Warehouses and project sites. The structured efforts taken on safety have resulted in the reduction of recordable accidents from 3 to 2 compared to last year. The accident rate is also reduced by 33% from 0.42 to 0.28. The units proactive reporting rate for unsafe conditions, acts and near miss incidents are increased by 25% compared to last year which shows people are more sensitive and vigil towards reporting the safety deviations.

b) Sustainability:

Sustainability is an integral part of SKF's new strategic framework Clean and Intelligent growth guided by our purpose statement, "We Reimagine Rotation for Better Tomorrow." We strive to eliminate dependency on fossil fuel for energy generation, maximizing renewable energy sources to achieve Net Zero GHG emissions, making our operations carbon free, circular and clean.

Sustainability is integrated not only in the product design and manufacturing stage but also covers all value chain partners including suppliers, customers, investors, employees and society at large. We are committed to making our product more energy efficient and less carbon intensive in the running phase and end of life phase.

This year, SKF India has initiated various sustainability projects broadly covering all three focus areas namely,

1. Climate Transformation
2. Circularity.
3. Responsible business.

1. Climate Transformation:

SKF India climate transformation initiatives are aimed at reducing GHG emissions in our manufacturing processes and across full value chain.

- **Decarbonization: (Scope 1 & 2 Emissions)**

  To achieve decarbonization target by 2030, we worked on reducing fossil fuel usage in our heat treatment furnaces to reduce Scope 1 emissions. To reduce Scope 2 emissions, site teams worked on improving energy efficiency in manufacturing processes and offsetting the carbon emissions by sourcing more renewable energy in the form of solar and wind solar hybrid power.

  During FY 2024-25, SKF sites at Pune, Bangalore and Haridwar worked on breakthrough energy efficiency improvement projects in HVAC systems, heat treatment and grinding processes.

  Additional Solar offsite project with 4.5 MW capacity is fully operational from June 2024 which increased solar energy sourcing for Pune site substantially. Breakthrough was achieved when the solar energy project with 20 MW capacity, was installed and commissioned in October 2024. This has increased SKF India renewable energy capacity to more than 95% in Q1 2025. All the SKF India sites are now on the verge becoming RE 100 compliant by end 2025 and are poised to achieve its decarbonization goal well in advance of the set group target year of 2030.

  The total Scope 1 & 2 emissions reduced by 28% in FY 2024-25 with respect to FY 2023-24.

  To achieve larger Net Zero Emission 2050 objective, SKF is focusing on reducing Scope 3, GHG emissions across full value supply chain covering upstream GHG emissions at our suppliers' sites and downstream logistic emissions for delivering finished products to our customers.

- **Scope 3 emissions at our suppliers' sites:**

  The supplier sustainability team is closely working with the identified critical suppliers to build their Net Zero Emission strategies in line with the SKF's Net Zero objectives and prepare short term and long-term energy efficiency improvement and renewable energy sourcing programs.

  There is a target to reduce emissions from ring and forging suppliers by 15% by 2025 and direct material emission reduction by 32% by 2030.

  SKF is closely working with Indian steel suppliers to achieve its SteelZero 2030 target to continually reduce GHG emission intensity by advocating usage of scrap steel, use of electric furnaces supplied with renewable energy sources.

  At the end of the financial year, supplier emissions are reduced by 8% over the baseline year.

- **Scope 3, Downstream logistic emissions:**

  SKF's logistic team plays a very important role in supplying finished goods to our automotive and industrial customers. While serving the customers with just in time (JIT) deliveries, the logistic team also minimizes associated GHG emissions in road transportation, air freight and sea transportation for inbound and outbound shipments.

  The logistic team works on GHG emission strategies such as lane optimization, increased usage of CNG vehicles, EV for last mile transportation in road transport.

  The team has developed air freight approval tool to ensure that air freight mode of transportation is used as a last resort specifically for critical customers urgencies. Unplanned air freight incidences are tracked and investigated for root cause analysis and future prevention. Planned air freight modes are converted to sea route transportation.

  Training sessions are conducted amongst internal stakeholders, industrial customers and distributors to create more awareness about SKF's Net Zero initiatives and seek support from the customers in our sustainability journey.

  The logistic team is working on to achieve 40% reduction in GHG emissions associated with the tonnes of finish goods shipped to customer by 2025 (base year 2025) and 35% reduction in the overall logistic emissions by 2030 (base year 2030).

  By end of this financial year, logistic emissions are reduced by 25% over the baseline year 2022.

2. Circularity:

This year, we focused on bringing more awareness on Circularity and capacity building exercise across all SKF India manufacturing sites and offices. Circularity enhances raw material efficiency and bringing down carbon emissions substantially by use of non-virgin materials, optimal use of materials. We maximize material efficiency by using innovative solution to reuse, reduce and recycling of waste generated at each process step. This initiative supports our objective of "Towards Zero Waste to Landfill by 2030" in a big way. By end of this year, SKF India is recycling 58% of its total waste generated.

Below are some of the important circular solutions SKF has deployed in our manufacturing processes.

- ReCond oil: SKF Pune site has installed Recond oil plant to filter honing oil and ensure that the sump life of the oil is enhanced, and the same oil can be reused again and again. This year we have extended ReCond oil solutions to all manufacturing sites for honing oil. SKF Pune is now using the same solution for enhancing the life of quenching oil used in furnaces.
- Both SKF Bangalore and Haridwar plants recycle 100% of the grinding dust (Hazardous Waste) into ferrous sulphate which is used in water purification and fertiliser industries. This initiative helps us to avoid landfilling or incineration which are harmful to nature and environment. At Pune plant, we are engaged with MEPL for co-processing of grinding sludge and will be operational from April 2025.
- Major initiative "Segregation at Source" is launched for segregation of all sorts of wastes at all manufacturing sites and offices to improve recycling of the waste and avoid landfilling.
- Usage of paper and plastics specifically in packaging also contributes to the generation of waste. We are proactively working on reduction in paper and plastic consumption through various packaging optimization projects in collaboration with suppliers and customers. Through our digitalization initiatives, we are increasingly becoming paperless.
- As a part of extended producer's responsibility (EPR), SKF has recycled large proportions of plastic waste. SKF sites are working on a target to reduce the generation of plastic/paper waste by 5% every year.

- Bio-Gas plant: Pune installed Bio-gas plant which recycles food waste to replace 1 LPG cylinder per day and reduce overall emission by 7.2 Tons/year.

  A Circularity Campaign which then evolved into a movement—Redefining Possibilities through Circularity. The campaign has gained significant traction, raising awareness at all levels about the importance of circularity, its adoption, applications, and benefits. This awareness has been fostered through capacity-building workshops, expert talks, and a dedicated Circularity webpage on our internal portal. As part of this campaign, we introduced the Circularity Quiz to test and reinforce our colleagues' knowledge. A total of 1,171 participants from ISEA and other regions took part in the quiz, spending an average of 43 minutes each leading up to an impressive 5,000 hours of participation.

3. **Responsible Business:**

   SKF India is committed to conduct its operations in most transparent and ethical manner. We are engaged with our value chain partners on our sustainability requirements to align with our overall Net Zero targets. We are collaborating with technology partners to foster clean and intelligent growth in the field of automation and Net Zero initiatives such as SteelZero program at the global and country level. At the group level, we are proactive in supporting sustainability projects through green financing.

25. 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 major observations is submitted to every 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, 2025, the internal financial controls were adequate and operating effectively.

The Company has complied with the specific requirements as laid out 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.

26. 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 on 31st March, 2025, 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, 2025, and of the profit of the Company for the period ended 31st March, 2025.

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.

27. 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 Board of Directors of the Company at regular intervals. 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.

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., transactions of value exceeding the lower of Rs. One Thousand Crores or 10% of the annual consolidated turnover as per the last audited financial statements 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 AOC-2**, in accordance with Section 134(3) (h) of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014, is attached as **Annexure-D** of this Report.

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.

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.

28. Subsidiaries, Joint Venture and Associates Companies:

As of 31st March, 2025, the Company has 2 (two) Associate Companies, i.e., Sunstrength Renewables Private Limited and Clean Max Taiyo Private Limited and 1 (one) Wholly Owned Subsidiary Company i.e. SKF India (Industrial) Limited.

The statement containing the salient features of the Financial Statements of the Company's subsidiaries/ joint ventures/associates are given in Form **AOC – 1**, forming 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 https://www.skf.com/in/investors/financial-results

29. 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 Compliance Week Celebration, 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 on

https://cdn.skfmediahub.skf.com/api/public/0901d196809a699a/pdf_preview_medium/0901d196809a699a_pdf_preview_medium.pdf

30. 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 of Regulation 34 of SEBI LODR and forms a part of the Annual Report as **Annexure-M**.

31. 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, 2025.

32. 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 2024-25, which forms a part of the Annual Report of FY 2024-25. There are no observations, qualifications, reservations, adverse remarks or disclaimers of the Auditors in their Audit Reports that may call for any explanation from the Board of Directors.

33. 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, the Audit Committee has recommended, and the Board has appointed M/s J B Bhave & Co., Company Secretaries, as the Secretarial Auditor for conducting Secretarial Audit of the Company for the FY 2024-25 in the 08th May, 2024 Audit and Board Meeting.

The report of the Secretarial Auditor for the financial year ended on 31st March, 2025, in MR-3 is attached as **Annexure-F** of this Report. 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 in the Secretarial Audit Report. 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 and 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 a **Secretarial Compliance Report** from M/s J B Bhave & Co., Company Secretaries for the Financial Year ended 31st March, 2025 and it will be submitted to the stock exchange(s) by 30th May, 2025 in PDF and XBRL format and will be updated on the website of the Company. Certificate forms part of this Annual Report as **Annexure-G**.

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

34. 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 and Associates (Firm Registration No. 000240), Cost Accountants were appointed as Cost Auditors of the Company for FY 2024-25 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 2024-25 of the Company will be filed 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 2025-26 is included in the Notice convening the 64th Annual General Meeting.

35. 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.

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

During the FY 2024-25 no such significant and material order passed by the Regulators or courts or tribunals.

37. **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, is attached as **Annexure-I** to this Report.

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.

38. **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.

39. **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.

The Company has accordingly transferred INR 34,95,230/- (Rupees Thirty Four Lakh Ninety Five Thousand and Two Hundred and Thirty only) being the unpaid and unclaimed dividend amount pertaining to the year 2016-17 to the IEPF in October 2024.

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 2017-18 and shares where dividend had remained unpaid for the last consecutive 7 (seven) years will be transferred to the IEPF within the stipulated time period. The Company has sent individual notices to the concerned shareholders on 24th April, 2025, 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://www.skf.com/in/investors/shareholder-information. Shareholders are requested to verify the details of the shares liable to be transferred as aforesaid.

40. **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 year. The Company did not give any guarantee or provide any security in connection with any loan.

The Company invested INR 26,000/- in Clean Max Taiyo Private Limited in the form of the acquisition of Equity Shares to the tune of 26% during FY 2023-24.

The Company has invested during the financial year 26,267 equity shares (twenty-six thousand two hundred and sixty-seven only) fully paid-up equity shares of INR 10/- each at a premium of INR 1,596/- each share of M/s Cleanmax Taiyo Private Limited. Post-acquisition of aforesaid share, the Company has 28,867 Equity shares i.e. own 26% of the total issued and paid-up share capital of the Investee Company.

The Company has invested in the special purpose vehicle company, for the purchase of electricity generated from captive solar power project for the Bangalore plant of the Company. As per local electricity laws of Karnataka, SKF India mandatorily needs to invest in at least 26% equity shares of the power producer company under the captive solar farm model. Accordingly, the first tranche of investment was done in March 2023. The balance tranche of investment was done in August 2023 by SKF India in Clean Max Taiyo Private Limited to comply with the captive requirements. The Company has made an investment in the capital instruments of Clean Max Taiyo Private Limited ("Investee Company") in compliance with the requirement of the local Electricity laws for captively consuming green energy. Necessary intimations were submitted to the stock exchange once acquisition were completed.

The Company had invested in the special purpose vehicle company, for the purchase of electricity generated from captive solar power project for the Pune plant of the Company. As per local electricity laws of Maharashtra, SKF India mandatorily needs to invest in at least 26% equity shares of the power producer company under the captive solar farm model. Accordingly, the first tranche of investment was done in December 2020 and the second tranche of investment was done in March 2021 by SKF India in Sunstrength Renewables Private Limited to comply with the captive requirements.

During the last financial year, the company acquired 2,89,875 (Two Lakhs Eighty Nine Thousand Eight Hundred and Seventy-Five) fully paid-up equity shares of INR 10/- each at a premium of INR 70/- each share of M/s Sunstrength Renewables Private Limited i.e. own 26.74% of the total issued and paid-up share capital of the Investee Company. The company has made investment in the capital instruments of M/s Sunstrength Renewables Private Limited ("Investee Company") in compliance with the requirement of the local Electricity laws for captively consuming green energy.

During the current Financial Year, the company has incorporated wholly owned subsidiary – SKF India (Industrial) Limited, for demerger purpose. The Company holds 10,000 Equity Shares of aforesaid company.

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

41. Annual Return:

Pursuant to the provisions of Section 92(3) of the Act, a copy of the annual return of the Company for the Financial Year ended 31st March, 2025 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/financial-results

42. 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:

1.	Number of complaints pending as on the beginning of FY 2024-25	0
2.	Number of complaints of sexual harassment received in the FY 2024-25	0
3.	Number of complaints disposed off during the FY 2024-25	0
4.	Number of complaints pending as on the end of FY 2024-25	0

ICC Committee details are provided in the Posh Policy. The POSH Policy is available on the website of the Company

https://cdn.skfmediahub.skf.com/api/public/099e7eae77038442/pdf_preview_medium/099e7eae77038442_pdf_preview_medium.pdf

43. 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 are attached as **Annexure-J** to this Report.

44. Explanation Or Comments On Qualifications, Reservations Or Adverse Remarks Or Disclaimers Made By The Statutory Auditors, 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, 2025.

The Report of Secretarial Auditors for the Financial Year ended 31st March, 2025 is also unmodified.

45. 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 2024-25.

46. 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.

47. 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 https://www.skf.com/binaries/pub12/Images/0901d196809a6aba-Code-of-Conduct-for-Directors-Senior-Management_tcm_12-526431.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, 2015 signed by the Managing Director to this effect is annexed as a part of the Annual Report as **Annexure-K**.

48. 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, which have mandatory application during the year under review.

49. 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.

50. Acknowledgements:

The Directors express their deep sense of gratitude to the Principals, Aktiebolaget SKF, 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, Chairman
DIN: 06684319

Date: 15th May, 2025 **Place: Gothenburg, Sweden**

Annexure - A

MANAGEMENT DISCUSSION AND ANALYSIS

Global economy

The global economy continues to demonstrate persistence, driven by easing inflation, improved financial conditions, and sustained consumer demand. While recent challenges such as supply chain disruptions and geopolitical tensions have tested the system, economies around the world have responded with notable adaptability. Central banks are cautiously moving towards policy normalisation, even as businesses and investors remain agile in responding to a shifting global landscape.

In 2024, global economic growth held steady at 3.3%, though performance varied across regions. The services sector continued to drive expansion, offering a stable foundation for growth. In contrast, global manufacturing faced persistent challenges, especially in Europe and parts of Asia amid subdued external demand and lingering supply chain constraints. While overall inflationary pressures have eased, services inflation remains a concern, prompting central banks to remain measured in their policy responses.

GDP growth projections (in %)

	Global economy	Advanced economies	Emerging markets and developing economies
2026P	3.0	1.5	3.9
2025P	2.8	1.4	3.7
2024E	3.3	1.8	4.3

Global Economy   Advanced Economies   Emerging Markets and Developing Economies

P: Projected   **E**: Estimated

(Source: World Economic Outlook, April 2025: A Critical Juncture amid Policy Shifts)

Over the past two years, a decline in inflation has supported real income growth, allowing central banks to begin easing financial conditions. Inflation is projected to decrease to 4.3% in 2025 and 3.6% in 2026, aligning more closely with central bank targets. While goods inflation has moderated, persistently elevated services inflation particularly in the U.S. and Eurozone continues to pose a challenge. Meanwhile, the strengthening U.S. dollar has exerted pressure on emerging markets, though many remain relatively resilient and well-positioned for sustained growth.

Geopolitical tensions, including the Russia-Ukraine conflict and the Israel-Hamas war, have heightened regional instability, affecting energy and food security. Additionally, escalating trade disputes between the U.S. and China, particularly with new tariffs on key sectors such as electric vehicles, solar panels, and semiconductors, pose new risks to global trade and economic stability. If prolonged, these challenges could disrupt supply chains and dampen the pace of economic momentum.

Despite these uncertainties, the global economy remains remarkably adaptable. As inflation declines and monetary policies gradually ease, emerging markets are poised to play a crucial role in sustaining global growth. With resilience and strategic foresight, businesses and policymakers must navigate this evolving landscape to capitalise on emerging opportunities and drive long-term economic stability.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025, World Economic Outlook, April 2025: A Critical Juncture amid Policy Shifts)

Outlook

The global economy is projected to expand at a steady pace, with GDP growth expected to reach 2.8% and 3.0% in 2025 and 2026, respectively. This momentum is underpinned by moderating inflation, improved financial conditions, and sustained demand. Emerging markets are set to drive global growth, while the U.S. continues to outpace other major developed economies. However, China's economic deceleration persists due to ongoing property sector adjustments, while the Eurozone is anticipated to see gradual expansion. Meanwhile, potential U.S. tariffs add to trade uncertainties. With disinflation, easing commodity prices, and evolving monetary policies, the global economy remains resilient, balancing persistent risks while maintaining projected growth in 2025.

(Source: https://www.imf.org/en/Publications/WEO/Issues/2025/01/17/world-economic-outlook-update-january-2025, World Economic Outlook, April 2025: A Critical Juncture amid Policy Shifts)

Indian economy

India's economy is poised for 6.5% growth in FY 2024-25, reflecting its continued resilience amid a challenging global environment. This growth is being supported by strong domestic demand, structural reforms, and strategic policy measures, along with digital transformation and infrastructure development playing a crucial role. An improving labour market and stable consumption trends are further supporting the growth trajectory.

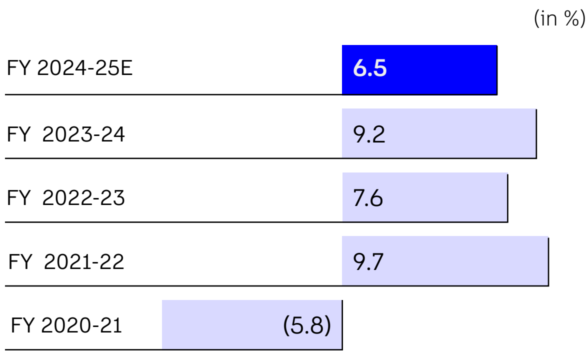
The agriculture sector is projected to rebound strongly, with growth estimated at 3.8% in FY 2024-25, up from 1.4% in FY 2023-24. This recovery is expected to be supported by favourable monsoons, sustained rural demand, and a targeted government investment of INR 1.52 Trillion. The manufacturing sector is expected to grow at 6.2%, moderating from 9.5% in the previous year due to weaker export demand and weather-related disruptions such as extreme heatwaves, erratic monsoons, and localised flooding, which have impacted production schedules and supply chains. However, continued strength in construction and utilities is likely to lend support to the overall industrial outlook. The services sector, which remains the principal driver of India's economy, is projected to expand by 7.2%, led by gains in IT, finance, healthcare, and tourism, contributing significantly to employment generation and economic momentum.

The rapid advancement of artificial intelligence (AI) is reshaping India's labour market—creating new opportunities while necessitating widespread upskilling. The unemployment rate declined to 3.2% in 2023-24, supported by rising labour force participation and increasing formalisation. In response, government-led skill development initiatives are equipping the workforce to thrive in an AI-integrated economy.

India's external sector remains robust, with exports growing 6% year-on-year (April–December 2024), securing its position as the seventh-largest global services exporter. At the same time, fiscal prudence, inflation control, and proactive monetary policies continue to uphold macroeconomic stability, ensuring long-term economic resilience.

(Source: https://www.indiabudget.gov.in/economicsurvey/doc/echapter.pdf https://pib.gov.in/PressReleasePage.aspx?PRID=2097921)

GDP growth projections



E: Estimated

(https://pib.gov.in/PressReleasePage.aspx?PRID=2106921#:~:text=The%20growth%20rate%20in%20Real,a%20growth%20rate%20of%209.9%25.)

Outlook

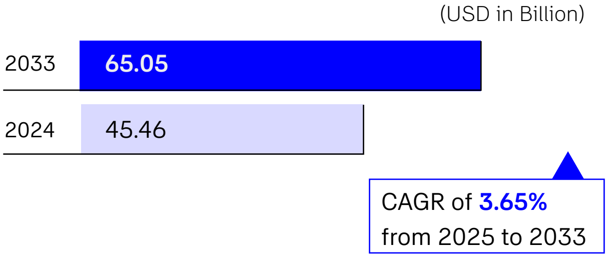
India's economic outlook for FY 2025-26 remains stable despite geopolitical uncertainties, trade disruptions, and potential commodity price volatility. Domestically, sustained private sector investment, rising consumer confidence, and faster corporate wage growth will be crucial for economic expansion. Rural demand is set to improve, driven by a recovery in agriculture, easing food inflation, and overall macroeconomic stability. To strengthen medium-term growth, India must enhance global competitiveness through structural reforms and grassroots-level deregulation. Creating a more business-friendly environment will help mitigate external risks and bolster long-term economic resilience.

Ball bearing industry

Ball bearings are the backbone of modern machinery, enabling smooth and efficient motion across industries—from automobiles and farm equipment to aerospace, defence, and household appliances. As industries push for higher efficiency and durability, the demand for specialised bearing solutions that cater to industry-specific challenges is accelerating. A key example is the rising adoption of high-capacity bearings in wind turbines, which enhance turbine performance, optimise energy output, and minimise lubricant consumption. This increasing reliance on advanced bearings is fuelling steady growth in India's manufacturing sector. Thus, underlining its position as a critical supplier in the global market.

This expansion aligns with the broader global ball bearing industry, which was valued at USD 45.46 Billion in 2024 and is projected to reach USD 65.05 Billion by 2033, recording a CAGR of 3.65% from 2025 to 2033 (IMARC Group). Asia Pacific leads the market, commanding a 43.0% share in 2024, driven by rising industrial automation, robotics adoption, and continuous technological advancements. These developments are transforming manufacturing processes, improving product longevity, and increasing operational efficiency across industries.

Global ball bearing industry



Within this global landscape, the automobile sector dominates, accounting for 53.0% of total demand. Bearings play an indispensable role in critical automotive systems—engines, transmissions, suspension, and wheel assemblies—ensuring optimal performance and efficiency. The relentless pursuit of fuel economy, lightweight materials, and advanced mobility solutions has amplified the demand for high-performance bearings. At the same time, the rapid shift toward electric vehicles (EVs) is reshaping the industry, necessitating specialised bearings designed for electric drivetrains, battery cooling systems, and energy-efficient operation. Beyond automotive, government investments in renewable energy, particularly wind power projects in the U.S., are further propelling market demand.

Amid this surge in growth, India has emerged as a key player, holding a 9.39% revenue share of the Asia Pacific bearing market. The country's expansion is bolstered by manufacturing growth, infrastructure investments, and government-led initiatives such as 'Make in India'—all of which are driving increased bearing consumption. However, a pressing challenge looms large—the counterfeit bearing market. This parallel industry, larger than the legitimate one, undermines quality, safety, and reliability, posing significant risks to industrial operations. Addressing this issue is paramount to ensuring sustained growth, industry credibility, and long-term market confidence.

With technological advancements, evolving industry needs and a growing emphasis on efficiency, the ball bearing industry is poised for continued growth. As innovation accelerates and markets expand, the sector's ability to adapt, invest in quality assurance, and meet evolving global demands will define its future trajectory.

(Source: Ball Bearing Market Size, Share and Growth Analysis 2033)

Key segments

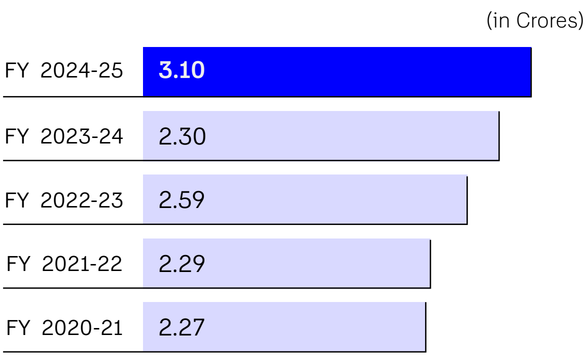
Automotive

The Indian automotive sector remains a cornerstone of the national economy, contributing approximately 7% to GDP and fuelling growth across ancillary industries such as steel, aluminium, plastics, and oil & gas. Beyond its economic footprint, the sector is a major generator of employment, a driver of supply chain development, and a catalyst for technological innovation. Globally, India maintains a leading position—the largest producer of two-wheelers and tractors, second-largest for buses, and third-largest for medium and heavy commercial vehicles.

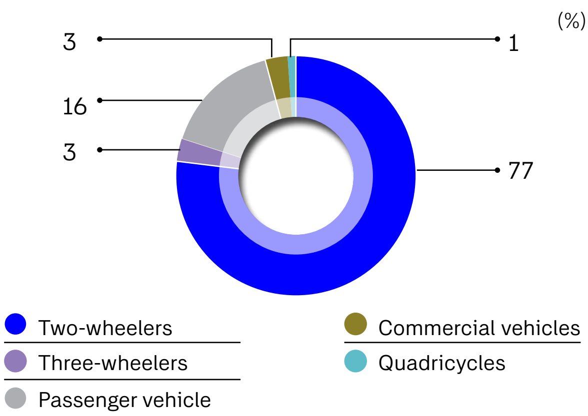
In FY 2024–25, the domestic automobile market recorded a 7.3% year-on-year increase in sales volumes, supported by rising urban demand, replacement cycles, and favourable policy interventions like the vehicle scrappage scheme. Simultaneously, automobile exports rebounded, posting a 19.2% growth, reflecting renewed demand in key international markets. These trends position India to be the third-largest automotive market by volume by FY 2025–26.

Growth continues to be underpinned by several structural drivers– increasing household incomes, a young and aspirational consumer base, and an expanding R&D ecosystem fostering innovation. A cost-competitive manufacturing environment, a skilled workforce, and 100% FDI permitted under the automatic route further enhance India's global competitiveness—making it an attractive destination for multinational automotive players seeking to expand and localise operations.

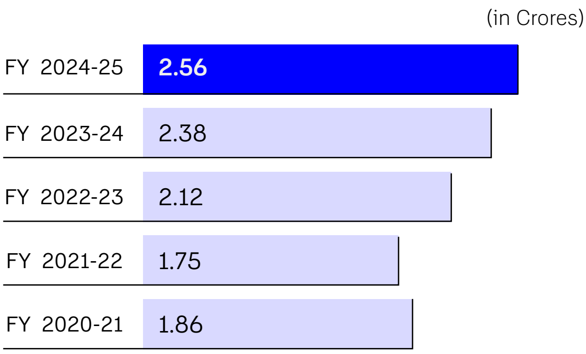
Automobile production in India



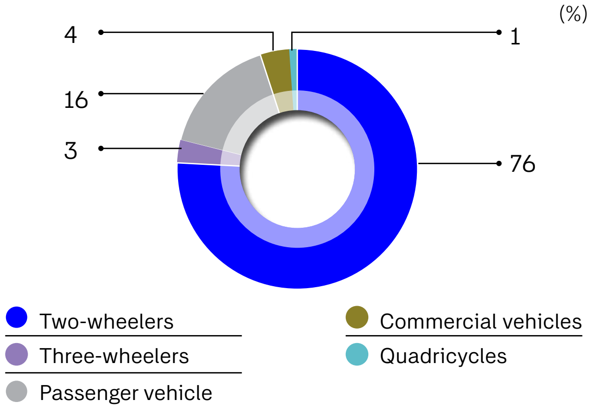
Segment-wise automobile production in India



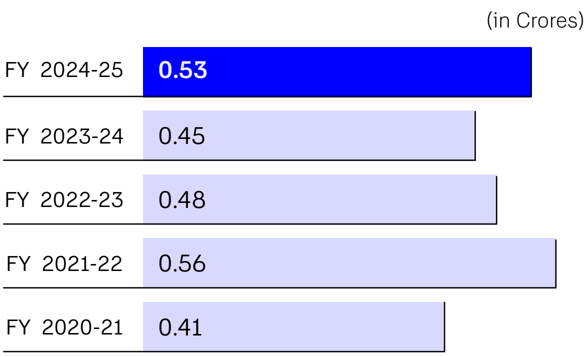
Automobile domestic sales in India



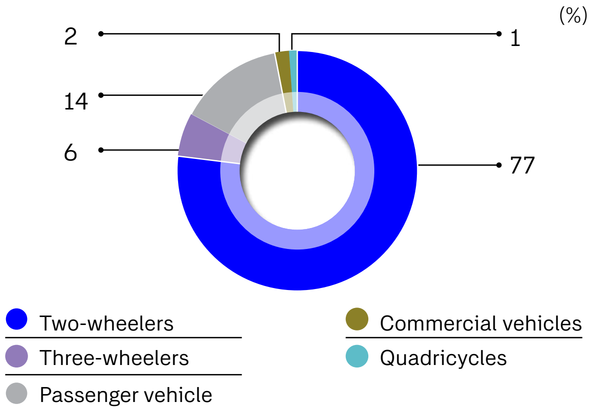
Segment-wise automobile domestic sales in India



Automobile export



Segment-wise export



Segment-wise sales of automobiles in India from FY 2020-21 to FY 2024-25 (in Million)

	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21
Two-wheelers	19.60	17.97	15.86	13.57	15.12
Passenger vehicles	4.30	4.21	3.89	3.07	2.71
Commercial vehicles	0.95	0.97	0.96	0.72	0.57
Three-wheelers	0.74	0.69	0.49	0.26	0.22

(Source: Society of Indian Automobile Manufactures)

Government-led initiatives such as the Faster Adoption and Manufacturing of Hybrid and Electric Vehicles (FAME) Scheme and the Production-Linked Incentive (PLI) programme are accelerating the shift towards electric mobility while reinforcing domestic manufacturing capabilities. As the automotive industry undergoes a transformative shift, increasing investments in electrification, autonomous technologies, and sustainable mobility solutions are expected to redefine the landscape. These advancements will not only enhance India's global competitiveness but also contribute significantly to economic resilience, technological leadership, and environmental sustainability. With policy-driven momentum, continuous innovation, and a dynamic consumer base, India's automotive sector is poised to drive the nation's industrial growth in the years ahead.

(Source:SIAM)

Electric vehicles

India is undergoing a profound transformation in its automotive landscape, with Electric Vehicles (EVs) emerging as a cornerstone of sustainable mobility. While global markets like Europe and the U.S. navigate adoption challenges, India is forging ahead, driven by strong policy support, growing consumer interest, and rapid technological advancements. However, despite the momentum, key challenges such as infrastructure gaps and high costs must be addressed to ensure long-term success.

The Indian EV industry is accelerating at an unprecedented pace, rapidly expanding to claim a larger share of the automotive market in the coming years. Valued at USD 8.49 Billion in 2024, projecting a compound annual growth rate (CAGR) of 40.7% from 2025 to 2030, fuelled by the country's ambition to become an EV-first nation by 2030. This commitment is evident in the government's proactive interventions to make electric mobility more accessible and appealing nationwide. Initiatives such as PM E-Drive, supported by substantial incentives and subsidies, are playing a pivotal role in driving EV adoption. With an outlay of INR 3,679 Crores dedicated to incentivising electric two-and three-wheelers, the programme effectively reduces the upfront cost, making EVs a more viable option for consumers.

(Source: https://www.grandviewresearch.com/industry-analysis/india-electric-vehicle-market-report?utm.com, https://www.pib.gov.in/PressReleaseIframePage.aspx?PRID=2085205&utm=&utm.com)

Electric vehicle sales in india

	Two-wheelers	Three-wheelers	Passenger vehicles	Total
FY 2023-24	1,015,443	104,850	101,032	1,221,325
FY 2024-25	1,209,772	163,283	115,800	14,88,855

(Source: Final_FY report 24-25)

To further strengthen local manufacturing and reduce import dependence, the government introduced key policy measures in 2024. A significant move was the reduction of import duties on EVs priced above USD 35,000 from 100% to 15%, provided manufacturers commit to local production. Additionally, the Union Budget 2025 extended customs duty exemptions for 35 critical capital goods required for lithium-ion battery manufacturing, reinforcing India's goal of self-reliance in EV battery production.

Beyond policy interventions, the economic and environmental benefits of EVs are accelerating their adoption. With operating costs nearly 40–50% lower than traditional internal combustion engine (ICE) vehicles, EVs present a compelling cost advantage. Moreover, as India shifts towards electric mobility, it reduces reliance on fossil fuel imports, strengthening energy security. From an environmental perspective, EV adoption plays a crucial role in lowering carbon emissions and aligns with the nation's commitment to achieving net-zero emissions by 2070.

With robust policy support, increasing affordability, and a strong push for localised production, India is poised to lead the global EV transition. As the industry evolves, continued investment in charging infrastructure, battery technology, and sustainable innovation will be key to unlocking the full potential of electric mobility and shaping a cleaner, greener future.

(Source: How India's EV adoption will soar by 2030 - The Economic Times.

India's EV Market: Trends and Future Prospects | S&P Global)

Outlook

The future of the Indian auto industry is one of relentless growth, driven by a bold vision to lead the global automotive revolution. Every challenge sparks innovation, forging a future where technology and tradition merge seamlessly. India's Automotive Mission Plan 2047, set for finalisation by June 2025, aims to position the country as a global powerhouse in automotive manufacturing and research & development (R&D). With plans to expand production capacity by an additional 4 Million passenger vehicles by 2032, India is accelerating towards a new era of mobility.

Industry projections indicate that the Indian automotive market—encompassing both passenger and commercial vehicles—will reach 7.5 Million units by 2030, with the passenger vehicle segment alone expected to hit 6.0 Million units.

(Source: Future Of Indian Auto Industry To 2030)

Manufacturing

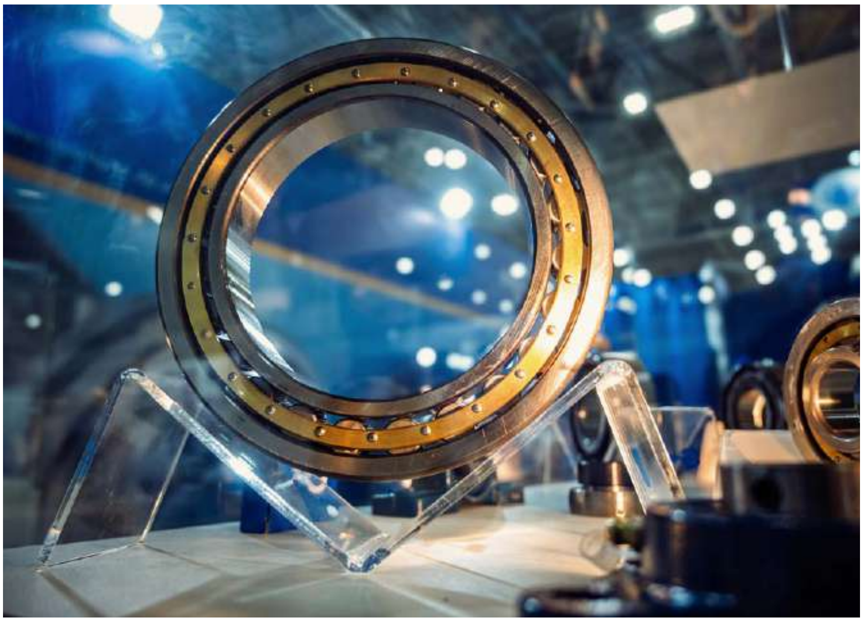
The manufacturing sector stands as a cornerstone of India's economic expansion, driving GDP growth, employment generation, and industrial innovation. Key industries including automotive, engineering, chemicals, pharmaceuticals, consumer durables, and electronics—are leading this transformation. Thereby reinforcing India's position as a global manufacturing powerhouse. With exports projected to reach USD 1 Trillion by 2030, the sector's role in shaping the country's economic trajectory has never been more significant.

Foreign Direct Investment (FDI) inflows into manufacturing soared to USD 29.79 Billion in the first half of FY 2024-25. This reflected strong investor confidence and the sector's growing global appeal. This surge, alongside increased mergers and acquisitions, is amplifying domestic production, enhancing exports, and strengthening India's industrial footprint.

Government initiatives and policy reforms have played a pivotal role in accelerating manufacturing growth. The Make in India initiative continues to attract foreign investment, while the Production Linked Incentive (PLI) Scheme is fuelling expansion in high-growth sectors such as electronics, automobiles, and textiles. Infrastructure development remains a top priority, with Bharatmala Pariyojana enhancing road networks to streamline supply chains and the National Logistics Policy focused on reducing costs and improving efficiency. Additionally, the DESH Bill aims to streamline industrial growth, while SAMARTH Udyog Bharat 4.0, launched in 2021, integrates Industry 4.0 technologies to optimise manufacturing processes and minimise waste.

Recognising the importance of state-level participation, various Indian states have introduced competitive incentives, subsidies, and infrastructural support to attract large-scale investments. Maharashtra, Andhra Pradesh, Gujarat, and Tamil Nadu have signed multiple Memorandums of Understanding (MoUs) with global firms to strengthen their industrial capabilities, further solidifying India's reputation as a preferred manufacturing destination.

(Source: Indian manufacturing sector has potential to reach $1 trillion by 2025-26 – Colliers India)



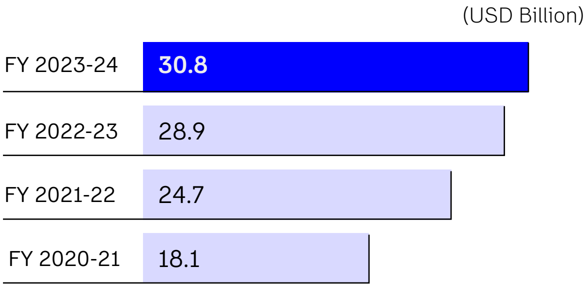
Indian railways

The Indian railway system serves as the lifeline of the nation, seamlessly connecting vast landscapes and driving economic growth. With an extensive network spanning thousands of kilometres, it is the fourth-largest railway system in the world, following the US, China, and Russia. Due to its affordability and efficiency, rail transport remains the preferred mode of long-distance travel for Millions of Indians.

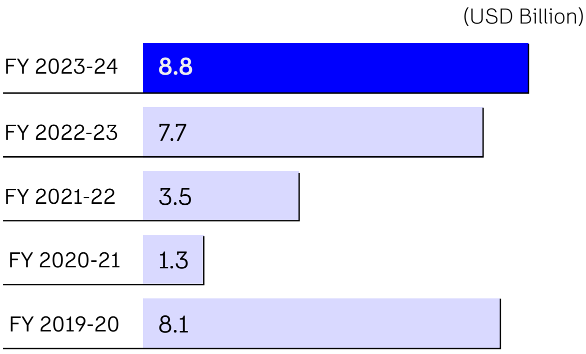
Recognising the sector's critical role, the government of India has intensified its focus on railway infrastructure. To this end, the government has introduced investor-friendly policies to attract Foreign Direct Investment (FDI). This push has encouraged both domestic and global players to explore opportunities in Indian rail projects, particularly in freight and high-speed rail systems.

In FY 2023-24, Indian Railways recorded total revenue of INR 2.56 Lakh Crores (USD 30.76 Billion), with passenger revenue reaching INR 70,000 Crores (USD 8.77 Billion)—a 9% increase over the previous year. Freight performance also saw strong momentum, with 1,591 MT of freight transported in FY 2023-24, marking a slight growth over the previous record of 1,512 MT in FY 2022-23. This contributed to freight revenue of INR 1.68 Lakh Crores (USD 20.40 Billion).

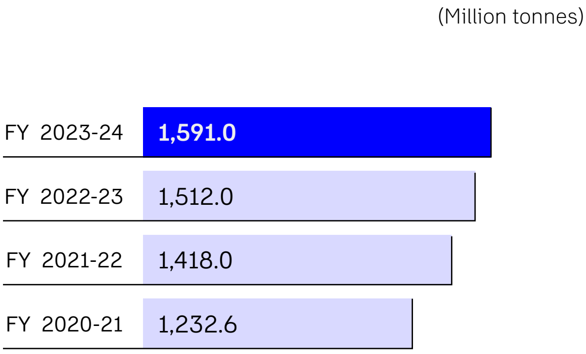
Gross revenue trends over the years



Trends in passenger volume



Trends in freight volume



The Indian railway sector is undergoing rapid modernisation to enhance passenger experience and operational efficiency. Recognising this, the government has allocated INR 2.62 Lakh Crores (USD 31.5 Billion) under the Union Budget FY 2024-25 to expand and upgrade railway infrastructure. This investment focuses on developing new railway lines, modernising stations, speeding potential improvement and accelerating track electrification.

Additionally, the establishment of dedicated Western and Eastern freight corridors are set to boost freight transportation efficiency, reducing transit times and enhancing logistics capabilities. To further strengthen the sector, strategic initiatives such as increased freight loading, railway line expansion, and locomotive production are being actively pursued. Moreover, the integration of advanced technologies like AI and machine learning is driving greater efficiency, enabling predictive maintenance, and optimising operations across the network.

(Source: Indian Railways Industry Analysis | IBEF, Press Release: Press Information Bureau)

Outlook

India's railway network is expanding at a robust pace, positioning itself as a key driver of the country's transportation sector. Over the next five years, the Indian railway market is projected to become the third largest globally, contributing 10% to the global railway industry.

To attract private investment, the government has introduced two major initiatives—allowing private operators to run passenger trains across the network and redeveloping railway stations nationwide. These initiatives are expected to bring in investments exceeding USD 7.5 Billion over the next five years, further accelerating infrastructure development.

Additionally, Indian Railways plans to introduce 3,000 new trains over the next four to five years, increasing passenger capacity from 800 Crores to 1,000 Crores. This expansion aims to meet the demands of a growing population while enhancing connectivity and travel efficiency.

Capital goods

The Indian capital goods sector is the cornerstone of industrial development, contributing approximately 1.9% to the nation's GDP. It encompasses a diverse range of industries, including machine tools, textile machinery, printing machinery, mining equipment, and process plant equipment – each playing a critical role in enabling large-scale manufacturing and infrastructure growth.

With strong policy backing from the Ministry of Heavy Industries and initiatives like Make in India, the sector witnessed significant growth. Total production increased from INR 2,29,533 Crores in FY 2014-15 to INR 4,29,001 Crores in FY 2023-24.

Among the sub-sectors, Earthmoving & Mining Machinery recorded the most substantial growth, nearly doubling. This was propelled by rising demand for infrastructure and construction projects. Other sub-sectors such as Printing Machinery, Dies, Moulds & Press Tools and Food Processing Machinery also grew steadily. Thus, reflecting the growth of India's manufacturing and food processing sectors.

Exports from the capital goods industry surged as well, underscoring India's growing competitiveness in the global market. Earthmoving & mining machinery led the list of export volumes, driven by India's cost-effective manufacturing and rising global infrastructure investments. Food Processing machinery exports nearly doubled, showcasing India's role in supporting global food supply chains. Similarly, Plastic Processing machinery exports reported a surge, reflecting the sector's advancements in sustainable and efficient manufacturing solutions.

The sector benefits from a liberalised policy framework. This includes 100% FDI under the automatic route, exemption from industrial licensing, and a favourable trade environment with no restrictions on imports and exports. The union budget FY 2025-26 introduced additional incentives, exempting capital goods for EV and mobile battery manufacturing. This is likely to further boost domestic production capabilities in emerging technologies.

With rapid urbanisation, infrastructure investments, and strong government support, the Indian capital goods sector is well-positioned for sustained expansion. As domestic manufacturing capabilities strengthen and exports continue to rise, the industry is set to play a pivotal role in driving self-reliance, technological innovation, and economic growth in the years ahead.

(Source: Press Release:Press Information Bureau)

Outlook

The Indian capital goods sector is poised for robust growth in the fiscal year 2025-26, driven by substantial investments across key industries. This momentum is largely fuelled by increased capital expenditure in railways, defence, and renewable energy. The government's commitment to infrastructure expansion continues to be a significant catalyst, with railway spending surging and defence expenditures increasing. Additionally, investments in renewable energy have risen, underscoring India's focus on sustainable development.

Emerging industries are also playing a pivotal role in driving growth. The Indian government has approved a USD 2.7 Billion plan to enhance electronic components manufacturing, aiming to generate approximately 92,000 direct jobs while boosting production in telecommunications, automobiles, and energy. Simultaneously, India's defence sector is expected to grow at an annual rate of up to 20%, attracting significant investments in domestic arms production and further strengthening the capital goods market.

Despite certain headwinds, like struggling to meet production targets and potential delays in capital expenditures by end-user industries, the sector continues to demonstrate resilience, supported by strong underlying demand and ongoing structural reforms. Overall, the Indian capital goods market is set for a period of strong expansion in FY 2025-26, supported by government initiatives, rising infrastructure investments, and a growing focus on self-reliance. Companies that align their strategies with these industry trends and address emerging challenges will be well-positioned to capitalise on the sector's upward trajectory.

(Source: Indian cabinet approves $2.7 Billion plan to boost electronic components manufacturing | Reuters, Indian investors rush into highly valued defence stocks, Exclusive: India's $23 Billion plan to rival China factories to lapse after it disappoints | Reuters)

Renewable energy

India has emerged as a pivotal player in the global renewable energy landscape, reflecting its commitment to sustainable development and climate change mitigation. The nation's strategic initiatives have positioned it among the top countries advancing clean energy solutions. Technological advancements, particularly in solar photovoltaic (PV) and wind energy, have been instrumental in this progress. The government's focus on domestic manufacturing through schemes like the production-linked incentive (PLI) has bolstered the production of high-efficiency solar modules, reducing reliance on imports and fostering innovation. Additionally, the exploration of offshore wind energy and the promotion of green hydrogen underscore India's dedication to diversifying its renewable energy portfolio.

In FY 2024-25, India achieved a record-breaking addition of 25 GW of renewable energy capacity — a 35% increase from the previous year's 18.57 GW. This remarkable growth was driven by a 38% surge in solar capacity additions, reaching 21 GW and pushing the country's total installed solar capacity beyond 100 GW.

Domestic manufacturing saw an unprecedented expansion, with module production nearly doubling to 74 GW and PV cell capacity tripling to 25 GW, propelled by the INR 41,000 Crores production-linked incentive (PLI) scheme, which also generated over 11,650 jobs.

Major policy-driven developments

The PM Surya Ghar Muft Bijli Yojana benefited over 11 Lakh households, disbursing INR 5,437 Crores to promote rooftop solar adoption

The PM-KUSUM Scheme saw solar pump installations exceeding 10 Lakhs, supported by a 268% increase in financial expenditure to INR 2,680 Crores

The Green Hydrogen sector advanced with INR 4,459 Crores in incentives, driving electrolyser production and industrial decarbonisation projects

IREDA (Indian Renewable Energy Development Agency) strengthened clean energy financing, raising loan sanctions by 27% to INR 47,453 Crores

With these transformative strides, India is on the brink of becoming the world's third-largest renewable energy powerhouse, reinforcing its leadership in the global clean energy transition.

(Source: Economic Survey 2024-25: Outlining road ahead for India's RE boom | Energy Asia, Press Release:Press Information Bureau)

Outlook

Looking ahead, India's renewable energy sector is poised for continued expansion. To achieve the ambitious target of 500 GW of non-fossil fuel capacity by 2030, the country aims to add an average of 50 GW of renewable energy capacity annually over the next six years. This necessitates a concerted effort in scaling up infrastructure, streamlining project approvals and enhancing grid integration capabilities. However, challenges such as land acquisition disputes, as seen in regions like Nandgaon, and skill shortages in the clean energy workforce could impede progress. Addressing these issues through policy reforms, community engagement, and investment in skill development will be crucial for sustaining growth and meeting future targets.

In summary, while India's renewable energy sector has witnessed remarkable growth in FY 2024-25, achieving the 2030 objectives will require overcoming existing challenges and leveraging opportunities through innovation, policy support, and stakeholder collaboration.

(Source: India adds record renewable energy capacity of about 30 GW in 2024 - The Times of India, India's Tata Power eyes first coal capacity expansion in six years | Reuters, https://www.ft.com/content/a8528845-dfe9-4121-a115-c475d0302d3e?utm.com)

Growth drivers

Rising demand for machinery and equipment in various industries

The global demand for machinery and equipment is witnessing a significant surge, driven by industries striving for modernisation and efficiency. Countries worldwide are investing in advanced technology and infrastructure upgrades to enhance operational performance and productivity.

Industries such as automotive, aerospace, construction, and manufacturing are heavily reliant on ball bearings to minimise friction, enhance efficiency, and ensure seamless operations. Additionally, the growing need for cutting-edge machinery to meet rising production demands and reduce operational costs is further accelerating market expansion.

The surge in infrastructure projects is also fuelling demand for heavy machinery and construction equipment, reinforcing the industry's growth trajectory and highlighting the increasing necessity for high-performance mechanical components.

Increasing demand for automation and robotics to perform numerous tasks

The growing adoption of automation and robotics across industries is significantly propelling the demand for bearings. As businesses seek to enhance efficiency, reduce costs, and improve quality, advanced robotic systems are becoming an integral part of manufacturing, logistics, and service sectors.

With robots becoming more adaptable and intelligent, they are streamlining workflows and executing high-precision, repetitive tasks with greater accuracy. As industries increasingly embrace automation, the reliance on precision-engineered components, including high-performance bearings, is intensifying to optimise processes and maximise productivity.

Demand for hybrid bearings

SKF India is at the forefront of supporting the electrification of passenger transport with a range of innovative products designed to enhance energy efficiency, enable compact designs, and simplify assembly. These advancements contribute to the development of next-generation vehicles with superior mechanical and electronic durability.

A key offering in SKF India's portfolio is hybrid bearings, which play a critical role in electric vehicles (EVs). While EVs help reduce emissions, their high-powered electric motors can generate damaging electrical currents that impact bearing performance. Hybrid bearings effectively address this challenge by combining steel rings with silicon nitride rolling elements, a material known for its excellent electrical insulation properties.

These advanced bearings provide several benefits:

Electrical insulation

Prevents damage by insulating the housing from the shaft in AC/DC motors and generators

High speed capabilities

Operate more efficiently at high speeds, enhancing performance and longevity

Extended service life

Outlasts traditional all-steel bearings under similar operating conditions

Superior material properties

Silicon nitride offers low density, high strength, stiffness, and toughness, making it resistant to vibration and oscillation

Reduced maintenance needs

Often eliminates the requirement for bearing preload or special grease applications, improving overall system reliability

With these cutting-edge solutions, SKF India is paving the way for more efficient and reliable electric mobility, reinforcing its commitment to sustainability and innovation.

Technological innovations to create high performance ball bearings

Manufacturers are consistently investing in research and development (R&D) to produce high-performance ball bearings with improved durability, higher load capacities, and reduced friction. These innovations enable ball bearings to operate more efficiently and withstand high stress conditions, making them suitable for a wide range of applications across various industries. Additionally, the development of specialised coatings and materials for these bearings expands their use in extreme environments and challenging operating conditions, such as high temperatures or corrosive environments. Furthermore, the continuous technological advancements encourage industries to adopt these bearings for diverse applications, leading to increased productivity

Threats

Raw material sourcing

Securing a consistent supply of high-quality raw materials is a critical aspect of bearing manufacturing. With dependence on both metallic and non-metallic materials, manufacturers must navigate complexities such as price volatility, geopolitical disruptions, and trade regulations. These factors can create bottlenecks in procurement, making supply chain resilience a top priority. To counter these challenges, manufacturers are strengthening supplier networks, exploring alternative sourcing strategies, and leveraging risk-mitigation frameworks to ensure uninterrupted production.

Sustainability concerns

Sustainability is taking centre stage in bearing manufacturing, driven by stringent environmental regulations and evolving customer expectations. Manufacturers are under growing pressure to integrate eco-friendly processes while maintaining cost efficiency—a challenging balance to strike. The key lies in innovation, where sustainable practices and economic viability converge. Companies that successfully align their operations with green manufacturing principles will secure long-term competitiveness and industry leadership.

Cost pressures

Rising energy costs and increasing labour expenses continue to put pressure on the profitability of bearing manufacturers. To sustain margins without compromising quality, companies must focus on cost optimisation strategies. Streamlining production, adopting energy-efficient technologies, and enhancing workforce productivity are key levers for efficiency. Additionally, the integration of automation and digitalisation offers long-term cost advantages, enabling manufacturers to stay competitive in an evolving industry landscape.

Outlook for the Indian ball bearing industry

The Indian ball bearing industry is on the path to accelerated growth, driven by evolving mobility trends, industrial automation, and expanding infrastructure. With a projected market expansion from USD 4.74 Billion in 2024 to USD 11.36 Billion by 2033, the industry is expected to expand at a robust CAGR of 10.20%, reflecting rising demand across key sectors.

One of the primary growth catalysts is the rapid shift toward electric vehicles (EVs). As India intensifies efforts to promote sustainable mobility, the need for advanced, low-friction, and high-speed bearings is becoming more prominent. Beyond the automotive sector, increasing automation in manufacturing and the expansion of heavy industries are unlocking new opportunities for high-performance bearings. The push for self-reliance through the 'Make in India' initiative is further strengthening domestic production capabilities, reducing import dependence, and enhancing global competitiveness. As industries evolve, smart sensor-integrated bearings are gaining traction, offering improved operational efficiency and predictive maintenance capabilities.

Another major trend shaping the industry is the integration of technology in bearings. IoT-enabled smart bearings capable of real-time monitoring and predictive maintenance will become increasingly prevalent, minimising downtime and improving operational efficiency across industries.

With a dynamic shift in technology and manufacturing, the Indian ball bearing industry is positioned to play a pivotal role in shaping the future of mobility and industrial applications. Strategic investments in innovation, localisation, and advanced engineering will be key in sustaining long-term growth and global relevance.

(Source: India Bearings Market Size, Share & Trends | Outlook 2033)

Company overview

SKF India (also referred to as 'the Company') is a pioneer in ball bearing manufacturing in India, established in 1961. Since commissioning its first plant in Pune in 1964, the Company has grown into a trusted provider of high-quality solutions for motion and rotation. As of 31st March, 2025, SKF India operates three manufacturing facilities and four offices, supported by a robust network of over 1,811 suppliers and 1,727 employees.

The Company serves more than 40 industries globally, offering products and services that enable customers to improve performance, reduce environmental impact, and gain sustainable competitive advantage. With deep expertise in designing and manufacturing bearings, seals, and lubrication systems, SKF India holds a strong position in both the industrial and automotive sectors. It caters to a diverse sectors of industries, including automotive, agriculture, construction, food and beverage, oil and gas, metals, and general engineering.

SKF India continues to embrace innovation, embedding digital technologies and wireless sensors across its offerings. These enable advanced machine health assessment, engineering support, and remanufacturing services—positioning the Company as a technology forward partner in reliability and productivity.

Sustainability lies at the core of SKF India's operations. Its world-class manufacturing facilities integrate clean technology, digital solutions, and continuous innovation to drive responsible growth. With a clear and focussed strategy across industrial markets, automotive OEMs, and the automotive aftermarket, SKF India is working toward its ambitious climate goals—achieving net-zero emissions across production facilities by 2030 and targeting a net-zero supply chain by 2050.

Business segment

The Company focusses on delivering comprehensive rotational equipment solutions across its automotive and industrial segments. Its diverse portfolio includes bearings, seals, lubrication systems, mechatronics, complemented by value-added services such as technical support, maintenance, and condition monitoring.

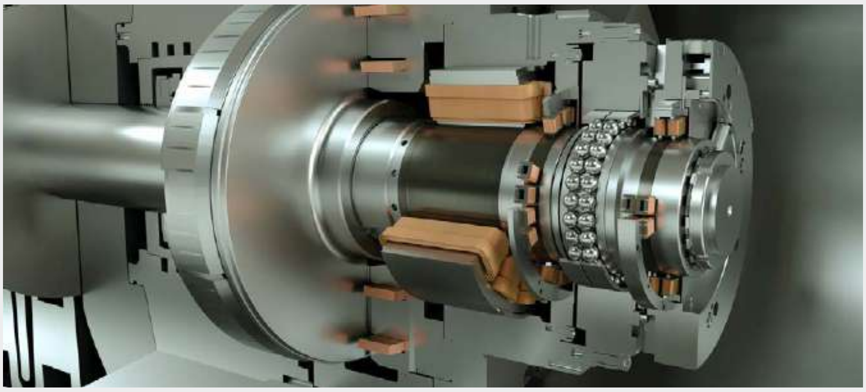
Automotive

SKF India delivers advanced solutions for a wide range of automotive applications, including engines, transmissions, wheel-end systems, and steering mechanisms. Its offerings are designed to enhance vehicle performance, improve fuel efficiency, and increase safety and reliability. The Company provides customised solutions for diverse requirements across wheel-end, driveline, e-powertrain, engine, suspension, and steering systems—serving OEMs across cars, light and heavy trucks, trailers, buses, and two-wheelers.

In addition to supporting OEMs, SKF India has a strong presence in the vehicle aftermarket, supplying spare parts through a network of more than 321 distributors across the country.

Demand across these segments is shaped by evolving industry trends. The light vehicle market is driven by the shift towards electrification, energy efficiency, and lower emissions. In the truck segment, priorities include reducing total cost of ownership, enhancing connectivity, and adopting integrated systems. The aftermarket is influenced by changing consumer preferences, emerging distribution channels, performance expectations, and cost optimisation.

SKF India holds a strong position in developing components for automotive electrification and wheel-end systems. It also leads in application-specific powertrain solutions and maintains a robust distribution footprint across the aftermarket landscape.



Industrial

In the industrial segment, SKF India offers a comprehensive range of solutions, including bearings, seals, lubrication systems, rotating shaft services, and advanced capabilities in machine health assessment, reliability engineering, and remanufacturing. These offerings cater to over 40 industries worldwide, supplied both directly and through a robust network of more than 120 distributors across India.

The demand for these offerings varies from application to application — ranging from requirements for low friction and energy efficiency to maintenance-free operations and optimised total cost of ownership. Further, digitalisation plays a pivotal role, enabling real-time monitoring and predictive maintenance throughout the product lifecycle, thereby delivering enhanced value to customers.

The Company holds a leading position in railways, heavy industries, and the industrial distribution market, along with a prominent position in several other sectors.

Financial overview

The Company's standalone Revenue from Operations for FY 2024-25 stood at INR 49,199.2 Million compared to INR 45,701.3 Million the previous year. Profit After Tax (PAT) for the year ended 31st March, 2025 increased from INR 5,517.7 Million in FY 2023-24 to INR 5,658.1 Million in FY 2024-25.

Statement of profit and loss for 31st March, 2025 (MINR)

Particulars	FY 2024-25	FY 2023-24
Revenue from Operations	49,199.2	45,701.3
Other Income	1,014.5	940.1
Total Income	**50,213.7**	**46,641.4**
Expenses		
Cost of Materials Consumed	12,472.7	11,600.7
Purchases of Stock-in-Trade	19,473.7	16,325.5
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(1,781.0)	(143.3)
Employee Benefit Expense	3,597.8	3,433.7
Finance Costs	7.0	12.1
Depreciation and Amortisation Expense	830.8	746
Other Expenses	7,981.7	7,308.8
Total Expenses	**42,582.7**	**39,283.5**
Profit before Tax	**7,631.0**	**7,357.9**
Income Tax Expense		
Current Tax	2,028.4	1,900.4
Deferred Tax Charge / (credit)	(55.5)	(60.2)
Total Tax Expense	**1,972.9**	**1,840.2**
Profit for the Year	**5,658.1**	**5,517.7**

Key ratios

Ratios	FY 2024-25	FY 2023-24	% Change	Reason for Change
Debtors' Turnover (Times)	6.2	6.4	(3.8%)	-
Inventory Turnover (Times)	3.9	4.1	(4.9%)	-
Interest Coverage Ratio (Times)	1,091.1	609.1	79.1%	The coverage increased due to increase in profitability
Current Ratio (Times)	2.8	3.0	(6.7%)	-
Debt to Equity Ratio (Times)	0.0	0.0	0.0%	-
Operating Profit Margin (%)	15.8	16.4	(3.6%)	-
Net Profit Margin	11.7	12.3	(4.7%)	-
Return on Net Worth (%)	21.4	22.0	(2.7%)	-

Key ratios

Details of Any Change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof	FY 2024-25	FY 2023-24	% Change
Return on Net Worth (%)	(2.7)	11.5	Decrease in Net worth

Risks and mitigation strategy

In today's complex and dynamic market environment, SKF India is exposed to a range of risks that may impact its financial, operational, and reputational performance. Recognising the importance of proactive risk management, the Company conducts regular assessments, maintains contingency plans, and ensures comprehensive insurance coverage to mitigate potential disruptions.

Risk management is an integral part of SKF India's business strategy. A dedicated Risk Management Committee, established by the Board, oversees the framework—continuously reviewing and strengthening policies to ensure resilience and long-term sustainability.

Please refer to pages 48
of the corporate overview for a detailed risk management strategy

Human resources

People are at the heart of SKF India's long-term success. The Company is committed to fostering a diverse, equitable, and inclusive workplace that attracts, develops, and retains high-quality talent. In line with its People Strategy, SKF India has built its approach around three key pillars – Culture & Leadership, Future Workforce, and Employee Experience. These focus areas are designed to enable people to drive business transformation by being future-ready today.

Through a strong emphasis on continuous learning, competitive compensation and benefits, and holistic employee well-being, SKF India creates an environment where individuals are empowered to grow, thrive, and stay engaged.

As the business landscape evolves, SKF India continues to invest in its people—enhancing learning and development opportunities to align workforce capabilities with emerging needs. A people-centric approach remains a key differentiator, supported by multi-dimensional leadership training and skill-building programmes that are strategically integrated with business objectives and a culture of innovation and excellence.

A holistic HR framework

SKF India's HR framework integrates job design, recruitment, onboarding, training and development, compensation and benefits, performance management, and labour relations, ensuring a seamless employee experience. This integrated approach directly supports the Employee Experience pillar of the People Strategy.

Initiatives such as equitable treatment, a people-centric approach, and performance-based reward systems have led to higher retention rates and strong employee loyalty. During FY 2024-25, the Company employed 187 individuals (including workers). Demonstrating its commitment to diversity, 39% of new hires were women. Focused hiring initiatives were deployed in select business areas to improve diversity pipelines and reduce time-to-fill. Post-joining feedback was also actively captured, with an 83% participation rate and an average satisfaction score of 4.86 out of 5.

Building future-ready capabilities

Aligned with the **Future Workforce** pillar, SKF India undertook several impactful initiatives in FY 2024 -25 to build capabilities and prepare its talent pipeline. Key leadership development programmes included:

TRANSCEND

enabling leaders to navigate complex challenges and shift from managing individuals to managing teams

Power the future

helping senior leaders deepen self-awareness and improve team leadership effectiveness

Leadership accelerator journey

an eight-month multi-modal programme supporting high-potential leaders with coaching, mentoring, and impact projects

Manage lead coach (finance)

a tailored programme to build daily leadership effectiveness through structured learning and feedback

These programmes are designed to build critical capabilities and shape the future organisation in line with SKF India's long-term business objectives.

Enabling diversity, equity, and inclusion

The **Culture & Leadership** pillar is brought to life through a strong focus on inclusion, trust, safety, and transformational leadership. SKF India partnered with an external consultant to conduct a DEI diagnostic survey, confirming its maturity in creating an inclusive and respectful environment.

The **Women's Network** drove initiatives that included:

Mentoring Programme – engaging 15 women mentees

Career Climber Workshops – engaging 100 women participants through SKF India

Crèche Facilities – launched in Pune and Bangalore to support working parents

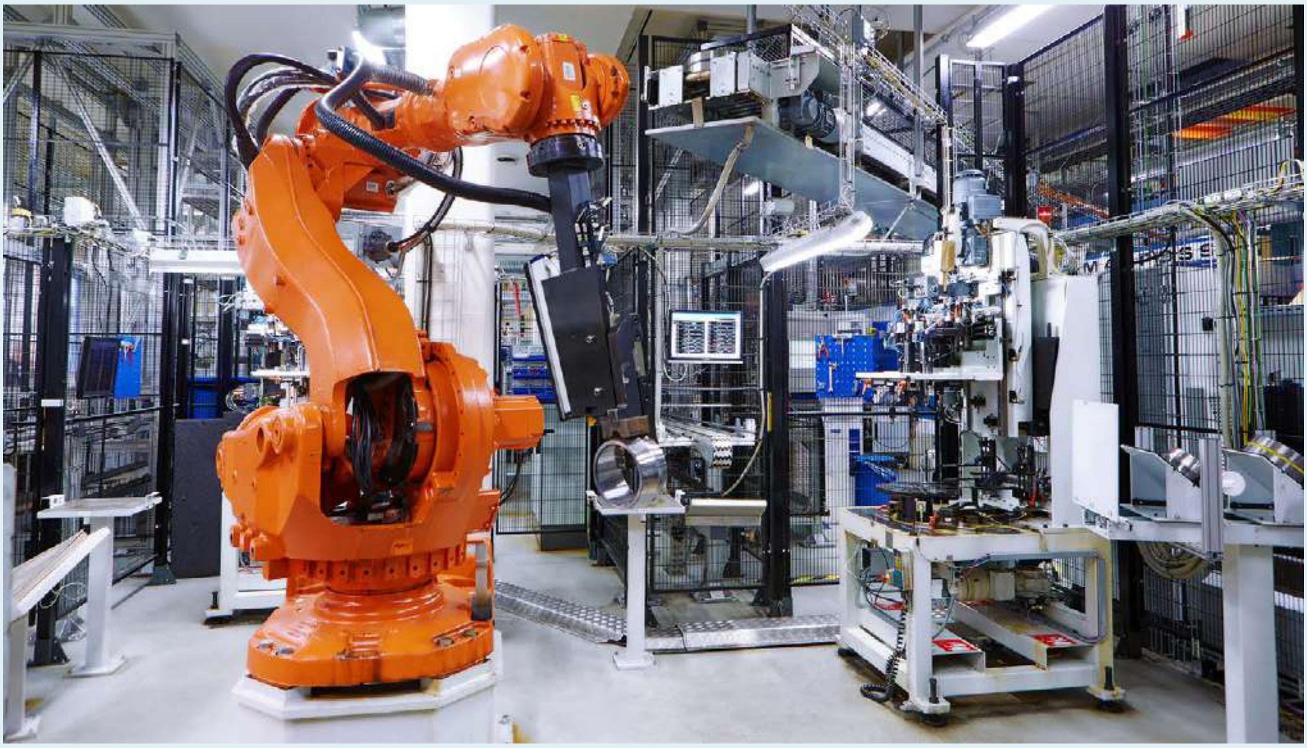
The *Parivartan* programme focused on hiring and mentoring women for shop floor roles, raising female representation in manufacturing from 7.2% to 16.2%. Overall gender diversity across the Company improved from 10.4% to 17.5% during the year.

As a manufacturing-led organisation, SKF India continues to strengthen collaboration and trust through joint consultation between the Union and Management. By embedding new ways of working and reinforcing leadership principles, the Company is nurturing a growth mindset, accelerating innovation, and driving process optimisation to effectively navigate industry challenges.

IT and digital infrastructure

In today's dynamic business environment, a robust IT and digital infrastructure is essential for driving efficiency, innovation, and competitiveness. Rapid digitalisation and emerging technologies are reshaping how companies operate, from research and product design to regulatory compliance and customer engagement. IT systems now play a pivotal role in enhancing operational oversight and enabling agile, data-driven decision-making.

SKF India continues to advance its digital transformation strategy, with a clear focus on automating core processes and enriching customer experience across the value chain. Leveraging Industry 4.0 tools and advanced analytics, the Company has significantly improved its manufacturing efficiency and responsiveness. As part of its long-term vision, SKF India is actively digitalising its regional supply network to reinforce its sustainable competitive edge.



Leveraging technology for operational excellence

Digitalisation remains a key enabler of sales growth and operational agility. SKF India has initiated a strategic ERP transition to SAP S/4HANA, ensuring seamless integration of processes across functions and geographies. This robust platform enhances system transparency, accelerates workflow automation, and strengthens data integrity.

To further accelerate its digital journey, SKF's Global IT team has established the Global Competency Centre (GCC) in India. This hub supports the development of advanced digital capabilities in-house, delivering faster, more tailored IT solutions that improve responsiveness and productivity.

The Company is also exploring AI-based approaches to enhance predictive maintenance capabilities. Digital tools such as Bearing Select are simplifying product selection for customers, while advanced solutions like Microlog and IMx, equipped with powerful sensing and analytics, enable real-time diagnostics that significantly lower maintenance costs and reduce unplanned downtimes. Additionally, SKF India has launched an internal innovation platform and expanded partnerships with startups and universities to foster collaborative research in emerging digital technologies.

Disclosure of accounting treatment

Where in the preparation of financial statements, a treatment different from that prescribed in an Accounting Standard has been followed, the fact shall be disclosed in the financial statements, together with the management's explanation as to why it believes such alternative treatment is more representative of the true and fair view of the underlying business transaction.

Internal control systems and their adequacy

SKF India's policies and procedures commensurate with the nature of business and ensure reliable and efficient business conduct. The internal control systems are periodically reviewed to confirm their effectiveness and adequacy. Internal audit, an indispensable part of management control systems, is responsible for keeping the Management updated about the adequacy and efficacy of the control systems. The three-line defence monitoring and control approach comprising the Management, Internal Control Team and Internal Audits, enable effective control of the internal control system. The Company has adopted a risk prevention approach to strengthen its controls proactively.

The Company, during the year, reviewed its Internal Financial Control (IFC) systems and strived to establish a more robust and effective IFC framework. Being part of the SKF Group, the Company adheres to SKF Internal Control Standards (SICS), a customised control system required to be adhered to, across the globe, by all SKF companies. The standard operating procedures for the business functions comprise the standards specified by SICS. The key focus areas of SICS are compensating controls within the process and minimising deviations and exceptions. The adequacy of controls is tested and verified by the Internal Control team. The Internal Audit function conducts Process Audits with the help of specialised external professional firms. Risks/ improvement areas, identified out of the audits, are reviewed and mitigation plans are put in place. Every Audit Committee reviews the implementation status of the action plans for major observations.

The reports submitted by the Management and the audit reports submitted by Internal and statutory auditors are reviewed by the Audit Committee. To ascertain, inter alia, their views on the adequacy of internal control systems, the Audit Committee also meets statutory auditors. Based on the Committee's evaluation, it was concluded that as of 31st March, 2025, the Internal Financial Controls were adequate and operating effectively. The Company complied with the specific requirements as laid out 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. The Internal Controls function regularly reviews the adequacy of controls of the processes. Suggestions to further strengthen the processes are shared with the respective process owners. The Audit Committee periodically reviews any significant observations, along with the Management's response and status of action plans.

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 2024-25

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....

Collabartion: the essence of **effective and human teamwork** - a bond that enables the SKF Community, no matter where we come from, to achieve progress together.....	**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.**
....re-imagine	*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 organizational 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 ("Codes"), one for the Board Members and the other for Senior Management and 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 Codes 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 organization, a strong Compliance Program 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") admended 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 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 organizational 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.

1.3 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
- Code of Conduct for employees
- Vigil Mechanism
- Archival Policy
- Code of Conduct for Directors/ Senior Management/Employees
- Policy for Determination of Materiality of events for Stock Exchange
- Familiarization Program
- Related Party Transaction
- Corporate Social Responsibility
- Dividend Distribution
- Risk Management
- Prevention of Sexual Harassment at Workplace
- SKF India Quality
- Environment, Energy, Health and Safety
- 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/shareholder-information

1.4 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 the SEBI LODR. The Company's Managing Director and Whole Time Director are the Executive Directors 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.

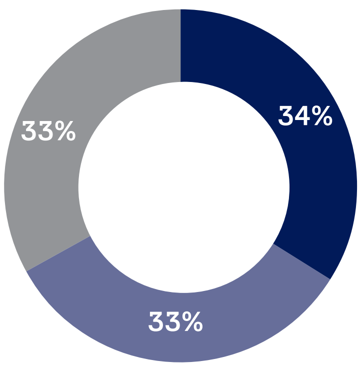
2.1 Composition and Category of Directors:

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.

As on 31st March, 2025, the Board comprises of six experts drawn from diverse fields/ professions.



Executive Directors

Non-Executive, Non-Independent Directors

Non-Executive, Independent Directors

Name of Board Members	Category/Designation
Mr. Gopal Subramanyam	- Chairperson & Non-Executive, Independent Director
Ms. Anu Wakhlu	- Non-Executive, Independent Director
Mr. David Leif Henning Johansson	- Non-Executive, Non-Independent Director (resigned w.e.f 17th September, 2024)
Mr. Karl Robin Joakim Landholm	- Non-Executive, Non-Independent Director
Ms. Kerstin Enochsson	- Non-Executive, Non-Independent Director (Appointed w.e.f 17th September, 2024)
Mr. Manish Bhatnagar	- Non-Executive, Non-Independent Director (Resigned w.e.f 13th February, 2025)
Mr. Mukund Vasudevan	- Managing Director & KMP (Appointed w.e.f 8th April, 2024)
Mr. Shailesh Sharma	- Whole-time Director & KMP (Appointed w.e.f 13th February, 2025)

The board of directors of the top 1,000 listed companies, effective 1st April, 2019, shall have at least 1 (one) independent woman director and the Board has an optimum combination of Executive and Non-Executive Directors, which is in conformity with the requirement 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

- hold 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, 2025.

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

During the financial year 2024-25, 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 re-appointment 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 approval were obtained by the Company within the prescribed timeline through Postal Ballot, as per SEBI LODR. The shareholders subsequently approved his 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. Resignations:

- **Mr. David Leif Henning Johansson (DIN - 09651955)** resigned from the position of Non-Executive Non-Independent Director and from the Board of SKF India Limited with effect from conclusion of the Board Meeting held on 17th September, 2024 due to other occupancies.

- **Mr. Manish Bhatnagar (DIN: 08148320)** resigned from the position of Non-Executive Non-Independent Director and from the Board of SKF India Limited with effect 13th February, 2025 due to other occupancies.

C. Appointments:

- **Mr. Mukund Vasudevan (DIN: 05146681)** was appointed as Managing Director of the Company, not liable to retire by rotation for a period of five (5) years with effect from 8th April, 2024 , by Board of Directors ,based on the recommendations of the Nomination & Remuneration Committee. The shareholders subsequently approved his appointment through postal ballot resolution passed on 21st June, 2024, within the prescribed timeline in accordance with the 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.

- **Ms. Kerstin Enochsson (DIN: 10774889)** was appointed as Non-Executive Non-Independent Director of the Company with effect from 17th September, 2024, who shall be liable to retire by rotation, by Board of

Directors ,based on the recommendations of the Nomination & Remuneration Committee. The shareholders subsequently approved her appointment through postal ballot resolution passed 16th November, 2024, within the prescribed timeline in accordance with the SEBI LODR

She 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, she is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

- **Mr. Shailesh Kumar Sharma (DIN: 09493881)**, whole-time Director of the Company had resigned from his position as Whole-time Director and Board of the Company with effect from 08th April, 2024, however based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors approved appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as an Additional Director of the Company, The Board further approved the appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Whole-Time Director of the Company he is appointed as Whole-Time Director of the Company for a period of five (5) years with effect from 13th February, 2025, The shareholders subsequently approved his appointment through postal ballot resolution passed on 30th April, 2025 , within the prescribed timeline in accordance with the SEBI LODR

  Mr. Shailesh Kumar 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.

D. Retire by Rotation

- **Mr. Karl Robin Joakim Landholm (DIN: 09651911)** is liable to retire by rotation this year and is proposed to be reappointed by shareholders at the ensuing 64th Annual General Meeting ("64th AGM")

  A brief profile of the person sought to be appointed/reappointed as Director(s) at the 64th 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 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 Meeting) . 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 Meeting Members, it enables us to maintain confidentiality of the agenda items, as application is used by members to only view agenda and same cannot be download or allows to take screenshots of the agenda.

Presentations are made to the Board and its committee 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 attends 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 minute book within 30 (thirty) days from the date of the respective meetings, subsequent to incorporation of the comments, if any, received from the Directors. Signed minutes are also circulated within 15 days of the signing of the Minutes.

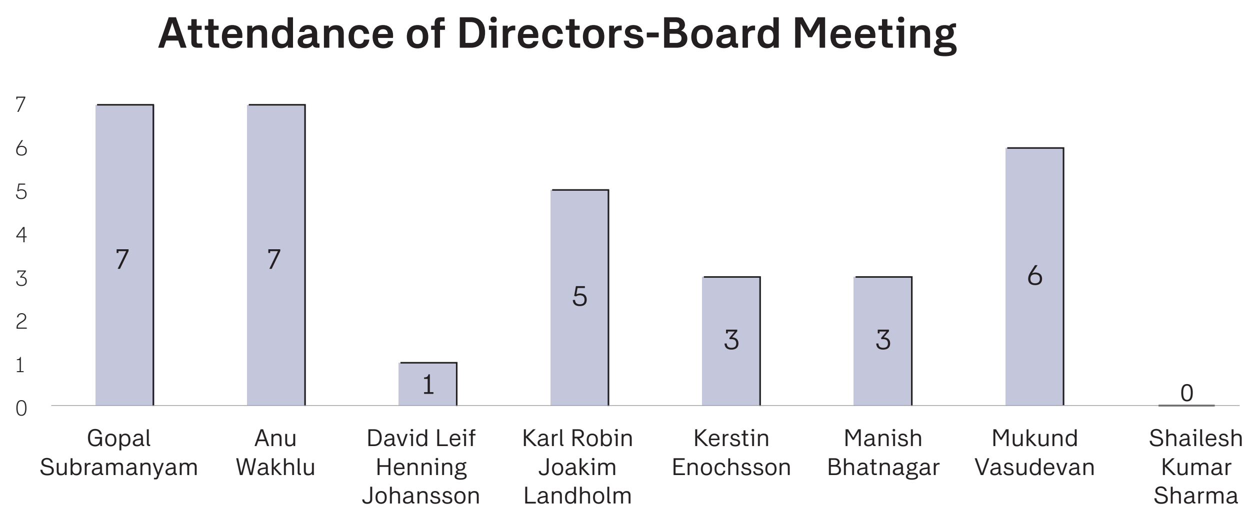
The Company adheres to the provisions of the Companies Act, 2013 read with the Rules made thereunder, Secretarial Standards, and SEBI LODR with respect to convening and holding the meetings of the Board of Directors, its Committees, and the General Meetings of the shareholders of the Company.

2.4 Board Meetings:

The Board met 7 times during the year FY 2024-25 on the following dates: 08th May, 2024, 13th August,2024, 17th September, 2024, 08th October, 2024, 13th November, 2024, 26th December, 2024 and 12th February, 2025. The intervening period between the two meetings was within the maximum time gap as prescribed under the applicable law.

The Independent Directors of the Company convened a meeting on 26th December, 2024 to consider and approve certain matters relating to the Demerger of the Company. Further Pursuant to Clause VII of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure) Regulations, 2015. For the year, the Independent Directors of the Company met separately on 11th March, 2025, to review the performance of Non-Independent Directors, Chairperson of the Company, 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 both the meetings.



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, 2025 are given herein below.

Name of the Director, DIN and Designation	No. of Board Meetings held and attended during FY 2024-25							Attendance at the last Annual General Meeting- 13th August, 2024
	08th May, 2024	13th August, 2024	17th September, 2024	08th October, 2024	13th November, 2024	26th December, 2024	12th February, 2025	
Mr. Gopal Subramanyam DIN: 06684319 Non-Executive, Independent Director, Chairperson	Present	Present	Present	Present	Present	Present	Present	Present
Ms. Anu Wakhlu DIN: 00122052 Non-Executive, Independent Director	Present	Present	Present	Present	Present	Present	Present	Present
Mr. David Leif Henning Johansson DIN: 09651955 Non-Executive, Non-Independent Director (*till 17th September, 2024)	Absent	Absent	Present	NA	NA	NA	NA	Absent
Mr. Karl Robin Joakim Landholm DIN: 09651911 Non-Executive, Non-Independent Director	Present	Present	Absent	Present	Present	Absent	Present	Absent
Ms. Kerstin Enochsson DIN: 10774889 Non-Executive, Non-Independent Director (**w.e.f 17th September, 2024)	NA	NA	NA	Present	Present	Absent	Present	NA
Mr. Manish Bhatnagar DIN: 08148320 Non-Executive, Non-Independent Director (***till 13th February, 2025)	Present	Present	Present	Absent	Absent	Present	Absent	Present
Mr. Mukund Vasudevan DIN: 05146681 Managing Director (****w.e.f 8th April, 2024)	Present	Present	Present	Present	Present	Absent	Present	Present
Mr. Shailesh Kumar Sharma DIN: 09493881 Whole–Time Director (*****w.e.f 13th February, 2025)	NA	NA	NA	NA	NA	NA	NA	NA

* Mr. David Leif Henning Johansson resigned as Non-Executive Non-Independent director of the Company w.e.f. 17th September, 2024.

** Ms. Kerstin Enochsson is appointed as Non-Executive Non-Independent director of the Company w.e.f. 17th September, 2024

*** Mr. Manish Bhatnagar resigned as Non-Executive Non-Independent director of the Company w.e.f. 13th February, 2025.

**** Mr. Mukund Vasudevan was appointed as Managing Director of the Company w.e.f. 08th April, 2024

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

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, 2025 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	1	-	-	-
Ms. Anu Wakhlu	1	Sudarshan Chemical Industries Limited (Independent Director)-Listed	-	-
Mr. David Leif Henning Johansson (Till 17th September, 2024)	-	-	-	-
Mr. Karl Robin Joakim Landholm	-	-	-	-
Ms. Kerstin Enochsson (w.e.f 17th September, 2024)	-	-	-	-
Mr. Manish Bhatnagar (till 13th February, 2025)	-	-	-	-
Mr. Mukund Vasudevan (w.e.f 08th April, 2024)	1	-	-	-
Mr. Shailesh Kumar Sharma (w.e.f 13th February, 2025)	-	-	-	-

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 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 Stakeholder 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 Directorship in any Listed Company except Ms. Anu Wakhlu who is Independent Director in a 1 Listed Company as on 31st March, 2025.

f. None of the Non-Executive Directors or Executives Directors hold any shares of the Company as on 31st March, 2025 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:

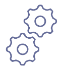
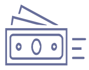
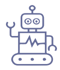
The details of the familiarization programme imparted to the Independent Directors of the Company is disclosed on the website, link of the same is mentioned below.

https://cdn.skfmediahub.skf.com/api/public/099974107bbe7347/pdf_preview_medium/099974107bbe7347_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 2024-25 for Directors as on 31st March, 2025 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. David Leif Henning Johansson Non-Executive, Non-Independent Director (till 17th September 2024)	
4.	Mr. Karl Robin Joakim Landholm Non-Executive, Non-Independent Director	
5.	Ms. Kerstin Enochsson Non-Executive, Non-Independent Director (w.e.f 17th September 2024)	
6.	Mr. Manish Bhatnagar Non-Executive, Non-Independent (till 13th February, 2025	
7.	Mr. Mukund Vasudevan Managing Director (w.e.f 8th April, 2024)	
8.	Mr. Shailesh Kumar Sharma Whole – Time Director (w.e.f 13th February, 2025)	

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 2024-25.

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.

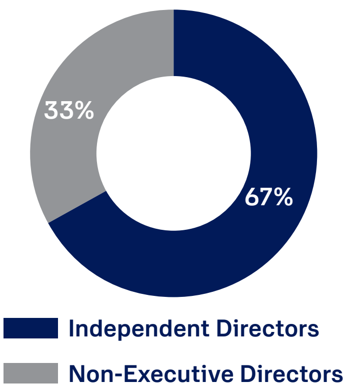
The AC comprises 3 (three) non-executive directors among whom 2 (two) are independent directors.

The composition of the Audit Committee as on 31st March, 2025 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. Manish Bhatnagar	Non-Executive, Non-Independent Director	Member- w.e.f 09th May, 2024 till 13th February, 2025

Note: Mr. David Leif Henning Johansson, Non-Executive, Non-Independent Director was member of Audit Committee – till 09th May, 2024

Ms. Kerstin Enochsson, Non-Executive, Non-Independent Director appointed as Member of Audit Committee w.e.f 13th February, 2025.



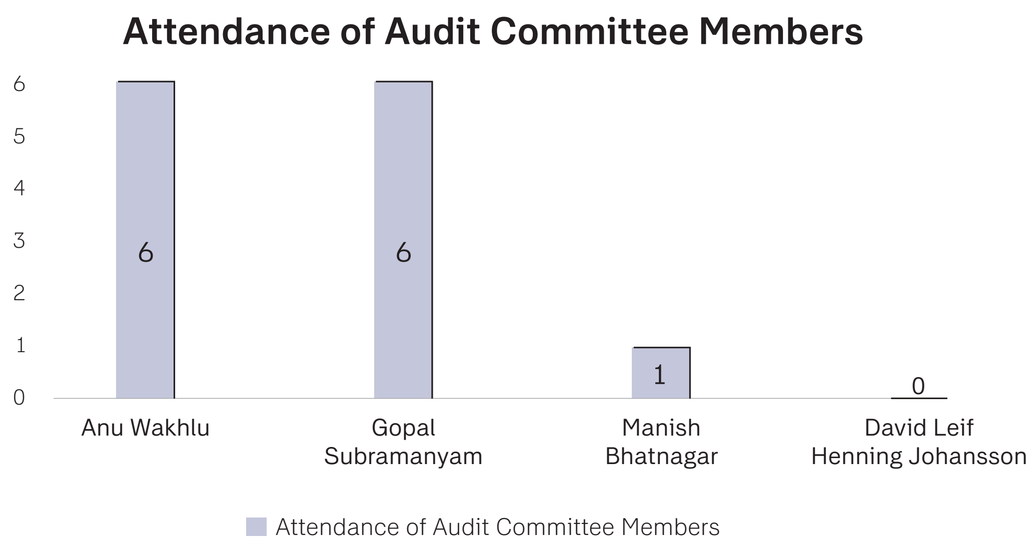
The Managing Director, the Chief Financial Officer, the Statutory Auditor and the Internal Audit team are the permanent invitees to the meetings of the Audit Committee. The Company Secretary is the Secretary of the Committee. The Cost Auditor and Secretarial Auditor are invited to meetings whenever required. 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 63rd Annual General Meeting of the Company held on 13th August, 2024.

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 AC. 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 6 (Six) times during the year FY 2024-25. The meetings were held on 8th May, 2024, 13th August, 2024, 8th October, 2024, 13th November, 2024, 26th December, 2024 and 6th February, 2025.

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 crores 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.

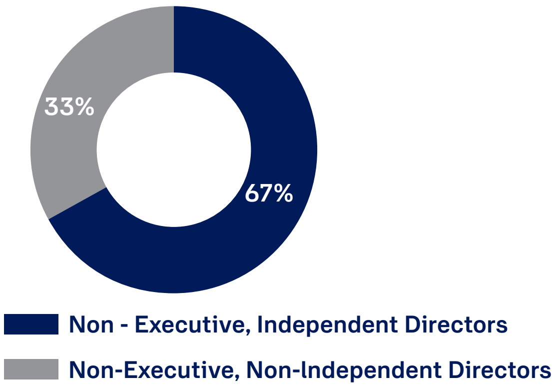
4. Nomination and Remuneration Committee:

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, 2024 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.Manish Bhatnagar	Non-Executive, Non-Independent Director	Member - w.e.f 09th May, 2024 till 13th February, 2025
4.	Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director	Member -till 09th May, 2024 and Appointed again w.e.f 13th February, 2025



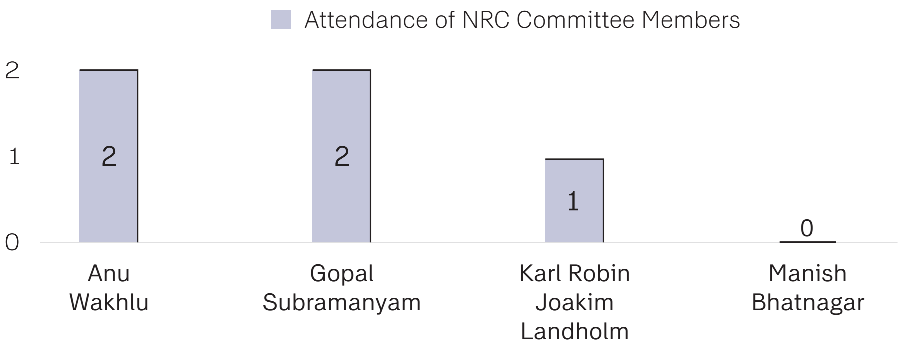
All the recommendations of the Nomination and Remuneration Committee have been accepted by the Board of Directors.

Pursuant to Regulation 19 (3) of SEBI LODR, Ms. Anu Wakhlu, Chairperson of the Nomination and Remuneration Committee was present at the 63rd Annual General Meeting of the Company held on 13th August, 2024.

4.2 Meeting and Attendance during the year:

The Committee met 2 (Two) times during the year FY 2024-25. The meetings were held on 06th February, 2025 and 12th March, 2025 with the requisite quorum present in the meeting.

Attendance of NRC Committee Members



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. On the basis of the evaluation carried out, it shall be determined whether to extend the term of appointment of the Independent Directors.

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.

1. Details of remuneration to Mr. Mukund Vasudevan, Managing Director and Mr. Shailesh Kumar Sharma, Whole-Time Director for the year under review are as under:

Amount in Rs

Description	Mr. Mukund Vasudevan (w.e.f 08th April, 2024)	Mr. Shailesh Kumar Sharma (w.e.f 13th February, 2025)
Salary	3,91,15,436	20,67,833
Perquisites	0	0
Deferred Benefits (PF and Superannuation)	24,67,077	1,54,868
Stock Award*	0	35,65,563
Performance Linked Incentives	1,27,94,743	5,79,026
Total	**5,43,77,256**	**63,67,290**

* 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:

Amount in Rs

Name of the Director	Sitting Fees (INR)	Commission	Total (Rs.)
Mr. Gopal Subramanyam	10,25,000	36,87,362	47,12,362
Ms. Anu Wakhlu	10,25,000	30,16,412	40,41,412
	20,50,000	**67,03,774**	**87,53,774**

Note: 1) payable subject to approval of annual accounts by the Shareholders at the 64th Annual General Meeting to be held on 06th August 2025.

2) Ms. Kerstin Enochsson, Mr. Manish Bhatnagar and Mr. Karl Robin Joakim Landholm were not entitled to any sitting fees or commissions during FY 2024-25.

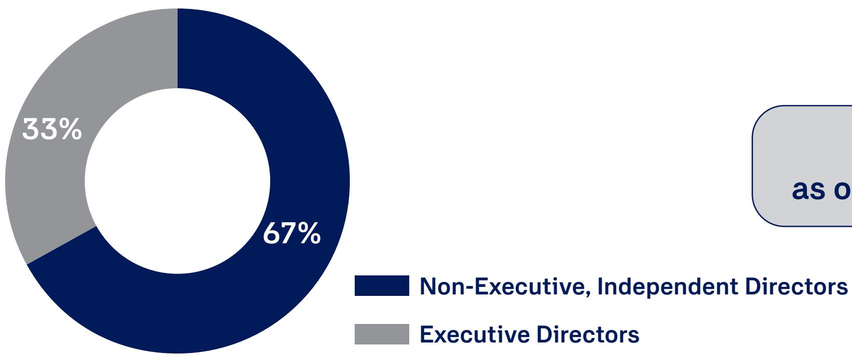
5. Stakeholders' Relationship Committee

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, 2025 and changes during the year, if any are as under:

Sr. No.	Name of Member	Designation	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. Manish Bhatnagar	Non-Executive, Non- Independent Director	Member -till 9th May, 2024
4.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member -w.e.f 9th May, 2024



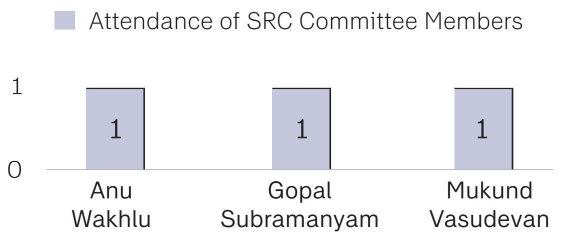
All the recommendations of the Stakeholders' Relationship Committee have been accepted by the Board of Directors.

Mr. Gopal Subramanyam, Chairperson of the Stakeholders' Relationship Committee was present at the 63rd Annual General Meeting of the Company held on 13th August, 2024.

5.2 Meeting and Attendance during the year:

The Committee met 1 (one) time during the year FY 2024-25 The meetings were held on 12th March, 2025 with the requisite quorum present for the in the meeting.

Attendance of SRC Committee Members



5.3 Name and designation of the compliance officer:

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

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) continue 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 csg-unit@in.mpms.mufg.com

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 12 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)	51	51	0
	c	Issue of new drafts against unencashed drafts/recovery drafts	82	81	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	11	11	0
	g	Miscellaneous	49	48	1
2.	Annual Report		0	0	0
3.	Bonus Issue		0	0	0
4.	Change in name/status		13	13	0
5.	Communication received through SEBI and other statutory / regulatory bodies		14	14	0
6.	Conversion / demerger – scheme of arrangement / exchange/ merger – amalgamation of companies / sub-division		14	14	0
7.	Demat / Rematerialisation of Shares		3	3	0
8.	Document Registration		256	249	7
9.	Legal matters		46	46	0
10.	Loss of securities		540	531	9
11.	Nomination		0	0	0
12.	Tax Exemption		1	1	0
13.	Transfer of Securities		0	0	0
14.	Transmission of Securities		57	56	1
15.	Other queries		151	149	2
	Total		**1,288**	**1,267**	**21**
	Request For				
1.	Change of address		79	76	3
2.	Change in Bank details		30	30	0
3.	Registration Of KYC Details		35	33	2
4.	Nomination		166	163	3
5.	Pan updation		42	42	0
	Total		**352**	**344**	**8**
Grand TOTAL			**1,640**	**1,611**	**29**

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 and split / consolidation / renewal queries.

1,640 correspondences were received by the Company, out of which **1,611** correspondences were replied to the satisfaction of shareholders during the year under review, balance 29 Outstanding correspondences as on 31st March, 2025, attended by 23rd April, 2025.

All the members of the Committee have attended the Annual General Meeting.

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.

The composition of the Risk Management Committee as of 31st March, 2025 and changes during the year, if any are as under:

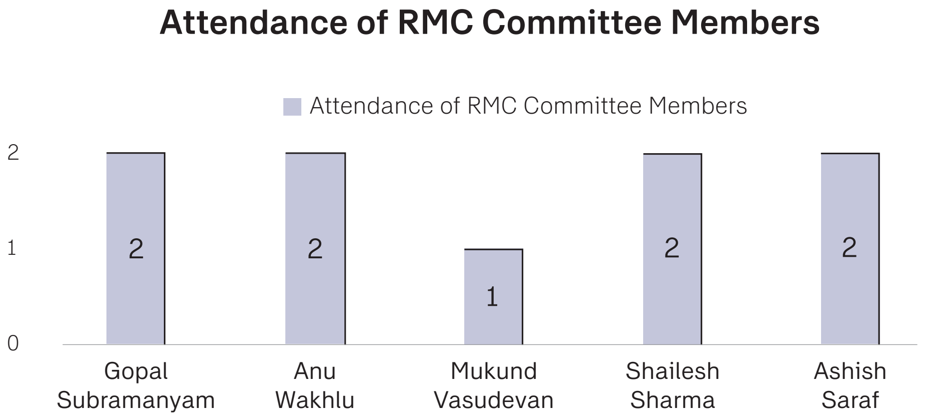
S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Chairperson
2.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Member (w.e.f 9th May, 2024)
3.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member (w.e.f 9th May, 2024)
4.	Mr. Manish Bhatnagar	Non-Executive, Non-Independent Director	Member (till 9th May, 2024)
5.	Mr. Shailesh Sharma	Executive Director (Whole-time Director)	Member
6.	Mr. Ranjan Kumar	Company Secretary and Compliance Officer	Member (till 9th May, 2024)
7.	Mr. Ashish Saraf	Chief Financial Officer	Member

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 63rd Annual General Meeting of the Company held on 13th August, 2024.

6.2 Meetings and attendance during the year:

The Committee met 2 (Two) times in FY 2024-25. The meetings were held on 12th September, 2024 and 12th March, 2025.



The meetings of the Committee during FY 2024-25 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 organization 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):

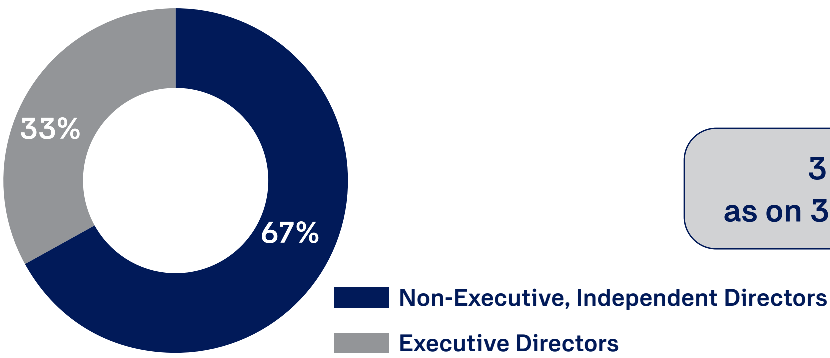
The Company has always maintained a high level of social engagement and social responsibilities under the leadership of Mr. Mukund Vasudevan, Chairperson of the Committee and its Team. The initiatives in the social sphere have always been built on the Company's Values of "SKF Care" which comprises of 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, 2025 and changes during the year, if any are as under:

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Chairperson (w.e.f 09th May, 2024)
2.	Ms. Anu Wakhlu	Non-Executive, Independent Director	Member
3.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member
4.	Mr. Manish Bhatnagar	Non-Executive, Non-Independent Director	Chairperson (till 09th May, 2024)

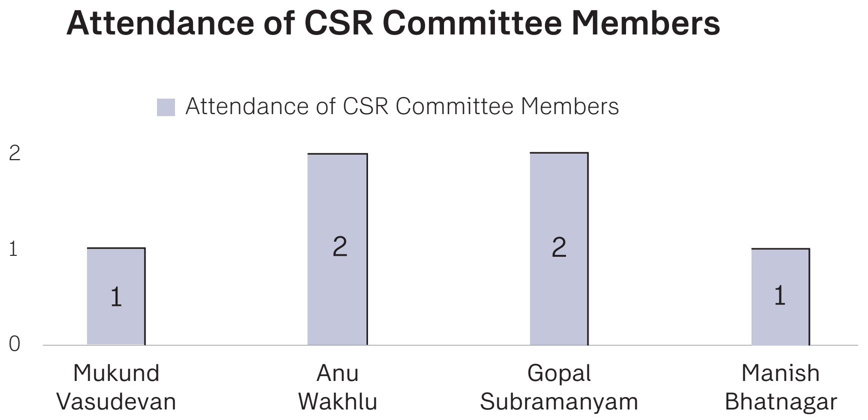


All the recommendations of the Corporate Social Responsibility Committee have been accepted by the Board of Directors.

Mr. Mukund Vasudevan, Chairperson of the Corporate Social Responsibility Committee was present at the 63rd Annual General Meeting of the Company held on 13th August, 2024.

7.2 Meetings and attendance during the year:

The Committee met 2 (Two) times in FY 2024-25. The meetings were held on 04th May, 2024 and 08th February, 2025.



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 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 FY 2024-25 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.	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
2.	62nd Annual General Meeting for the Financial Year ended 31st March, 2023	02nd 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
3.	61st Annual General Meeting for the Financial Year ended 31st March, 2022	27th July, 2022	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.	Postal Ballot Conducted by Mr. Jayavant Bhave, of M/s J.B. Bhave & Co, Practicing Company Secretary	16th November, 2024 (date of passing resolution)	None
2.	63rd Annual General Meeting for the Financial Year ended 31st March, 2024	13th August, 2024	None
3.	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.
4.	62nd Annual General Meeting for the Financial Year ended 31st March, 2023	02nd August, 2023	None
5.	61st Annual General Meeting for the Financial Year ended 31st March, 2022	27th July, 2022	None
6.	Postal Ballot Conducted by Mr. P.N. Parikh, of M/s Parikh & Associates, Practicing Company Secretary	19th May, 2022 (date of passing resolution)	None
7.	Postal Ballot Conducted by Mr. Jayavant Bhave of M/s. J.B. Bhave & Co, Company Secretaries	09th December, 2022 (date of passing resolution)	None

8.3 whether any special resolution passed last year through postal ballot – details of voting pattern:

A postal ballot was passed on 24th June, 2024, through which the following special resolutions were passed:

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.

8.4 Additional Disclosures for Postal Ballot conducted during the year:

1) Postal Ballot was conducted, for which Notice dated 08th May, 2024 was sent to shareholders on 20th May, 2024 for the following:

   a) Appointment of Mr. Mukund Vasudevan (DIN: 05146681) as Director of the Company – Ordinary Resolution.

   b) Appointment of Mr. Mukund Vasudevan (DIN: 05146681) as a Managing Director of the Company- Ordinary Resolution.

   c) Appointment of Mr. Manish Bhatnagar (DIN: 08148320) as a Non-Executive Director of the Company- Ordinary Resolution.

   d) Re-appointment of Mr. Gopal Subramanyam (DIN: 06684319) as an Independent Director of the Company- Special Resolution.

   e) Re-appointment of Ms. Anu Wakhlu (DIN 00122052) as an Independent Director of the Company- Special Resolution.

   Resolution(s) were passed on 21st June, 2024.

2) Postal ballot was conducted, for which Notice dated 20th September, 2024 was sent to Shareholders on 15th October, 2024 for Appointment of Ms. Kerstin Enchsson (DIN: 10774889) as Non – executive Director of the Company- Ordinary Resolution.

   Resolution was passed on 16th November, 2024.

3) Postal Ballot was conducted, for which Notice dated 20th March, 2025 was sent to Shareholders on 26th March, 2025 for following:

a) Appointment of Mr. Shailesh Kumar Sharma (DIN: 09493881) as Director of the Company – Ordinary Resolution.

b) Appointment of Mr. Shailesh Kumar Sharma (DIN:09493881) as Whole-time Director of the Company for a term of 5 Consecutive years- Ordinary Resolution.

Resolution was passed by shareholders on 30th April, 2025.

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 and are generally published in the Economic Times, MINT, Financial Express (English) and Maharashtra Times, Lok Satta (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/shareholder-information). 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, Intimation/ Outcome of Board Meeting(s), Postal Ballot 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 63rd AGM held on 13th August, 2024 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 24th April, 2025 and same was also published in newspapers.

During the year the Company arranged 3 (three) Investor Analyst Call on 14th August, 2024, 13th February, 2025 and 9th April, 2025, presentation(s) if any , audio link(s) and transcript(s) of the Investor/ Analyst Call were submitted to Stock exchanges and the same are available on the website of the Company.

10. General shareholder information:

Annual General Meeting – date, time, and venue	**Wednesday, 06th August, 2025, at 2:00 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	01st April, 2024 to 31st March, 2025
Cut off for Dividend (if any)	**Friday, 04th July, 2025**
Cut off for E-voting	**Wednesday, 30th July, 2025**
Dividend Payment Date	The Dividend, if declared at the AGM will be paid on or before, 04th September, 2025.
E-Voting Lines open	**Commence from 02nd August, 2025 (Saturday) at 9:00 a.m. (IST) and ends on 05th August, 2025 (Tuesday) at 5:00 p.m. (IST)**

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 FY 2024-25 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 mobilisation 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 mobilisation of funds in India or abroad during the financial year ended 31st March, 2025.	

10.1 Distribution of shareholding as 31st March, 2025:

SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	to	500	66,203	96.9411	2,488,344	5.0333
501	to	1000	1,055	1.5448	784,253	1.5863
1001	to	2000	548	0.8024	779,979	1.5777
2001	to	3000	144	0.2109	3,53,017	0.7141
3001	to	4000	78	0.1142	274,941	0.5561
4001	to	5000	41	0.06	183,338	0.3708
5001	to	10000	76	0.1113	534,010	1.0802
10001	to	**********	147	0.2153	44,040,081	89.0815
Total			**68,292**	**100.0000**	**49,437,963**	**100.0000**

10.2 Dematerialization of shares and liquidity:

	No. of Shares	% of total capital issued
Held in dematerialised form in NSDL	45,724,159	92.49
Held in dematerialised form in CDSL	3,376,626	6.83
Physical	337,178	0.68
Total	**49,437,963**	**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:

11.2 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.

11.4 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 victimisation 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/09af1a7d3c521446/pdf_preview_medium/09af1a7d3c521446_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 2024-25.

11.10 A certifcate 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 FY 2024-25.

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/094be59db798869d/pdf_preview_medium/094be59db798869d_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 FY 2024-25.

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:

NA

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.

11.20 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.

Annually training is conducted to create awareness on Insider Trading(PIT) compliance for all designated persons.

Mr. Ranjan Kumar has been appointed as the Company Secretary & Compliance Officer.

Shares held by the Directors and KMP as at 31st March, 2025 are as under:

Name of Director / KMP	No. of shares or convertible instruments held
Ms. Anu Wakhlu	Nil
Mr. Gopal Subramanyam	Nil
Mr. David Leif Henning Johansson (till 17th September, 2024)	Nil
Mr. Karl Robin Joakim Landholm	Nil
Ms. Kerstin Enochsson	Nil
Mr. Manish Bhatnagar (till 13th February, 2025)	Nil
Mr. Mukund Vasudevan (w.e.f 8th April, 2024)	Nil
Mr. Shailesh Sharma (w.e.f 13th February, 2025)	Nil
Mr. Ashish Saraf	Nil
Mr. Ranjan Kumar	Nil

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 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 2016-17 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 2018 to 2024 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.

Details of unclaimed dividend Year ending	As on 31st March, 2025 (Rs.)
2018	2,693,988.00
2019	2,395,994.00
2020	22,045,020.67
2021	2,709,549.00
2022	2,865,921.50
2023	7,356,308.00
2024	39,720,740.00

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 2017. 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

11.22 '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 2024-25 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, 2025:

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;- **6 shareholders requests for 2060 shares**

b) number of shareholders who approached listed entity for transfer of shares from suspense account during the year: **4 shareholders requests for 1890 shares**

c) number of shareholders to whom shares were transferred from suspense account during the year: **4 shareholders requests for 1890 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, 2025;

- **A total of 1,410 shares belonging to 10 shareholders have been transferred to the Company's Suspense Escrow Demat Account.**
- **Additionally, 20 shares held by 1 shareholder remain in the Physical SEDA Account. (Transferred to Company's Suspense Escrow Demat Account on 8th April, 2025)**

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: Gothenburg, Sweden
Date: 15th May, 2025

SKF

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 Corporate Social 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 year	Number of meetings of CSR Committee attended during the year
01	Mukund Vasudevan	Chairman and Managing Director	02	02
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: **6,660.7 MINR**

   (b) Two percent (2%) of average net profit of the Company as per sub-section (5) of section 135: **INR 133.2 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: **0.8 MINR**

   (e) Unspent amount of previous financial years, if any: **Nil**

   (f) Total CSR obligation for the financial year [(b)+(c)-(d)+(e)]. **INR 132.4 MINR**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **INR 131.91 MINR.**

   (b) Amount spent in Administrative Overheads: **INR 3.53 MINR.**

   (c) Amount spent on Impact Assessment, if applicable: **Not applicable**

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **INR 135.44 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 Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
135.44	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	133.2 MINR
	Amount available for set off from previous financial years	0. 8 MINR
	Underspent amount of previous financial years spent in this financial year	Nil
	Total budget for FY 2024-25 [(i)-(ii)+(iii)]	**132.4 MINR**
II.	Total amount spent for the Financial Year	135.44 MINR
III.	Excess amount spent for the Financial Year [(II)-(I)]	3.04 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)]**	**3.04 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 sub-section (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer		
1	FY 2020-21	NIL	NIL	NIL	NIL	NIL	NIL	-
2	FY 2021-22	23.4 MINR	23.4 MINR	NIL	NIL	NIL	23.4 MINR	-
3	FY 2022-23	NIL	23.4 MINR	23.2 MINR	NIL	NIL	0.2 MINR	-
4	FY 2023-24	NIL	0.2 MINR	0.2 MINR	NIL	NIL	NIL	-
5	FY 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 the Financial Year: ☐ Yes ■ No

If Yes, enter the number of Capital assets created/ acquired NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	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).

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.

For and on behalf of SKF India Limited

Gopal Subramanyam,
Chairman

DIN: 06684319
Place: Gothenburg, Sweden
Date: 15th May 2025

Mukund Vasudevan,
Managing Director

DIN: 05146681
Place: Gothenburg, Sweden
Date: 15th May 2025

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, Ashish Saraf, CFO and Tanul Singhal, Head, Corporate Affairs & CSR of SKF India Limited ("the Company") have reviewed the CSR expenditure done by the Company towards CSR obligation for FY 2024-25 ("period") and do hereby certify that:

a) During the period, the Company was required to spend **INR 133.2 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 2024-25, 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 135.44 Million** towards CSR in FY 2024-25 out of total CSR obligation of **INR 132.4 Million** (after setting off an overspent amount of **INR 0.8 Million** of FY 2023-24). An amount of **INR 3.04 Million** is spent in excess to CSR budget in FY 2024-25.

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

Ashish Saraf,
CFO
Place: Bangalore
Date: 15th May 2025

Tanul Singhal,
Head - Corporate Affairs & CSR
Place: Gurugram
Date: 15th May 2025

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 2024-25	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)	50.0	51.81	51.81	Indirect	1.81
				0.1	0.1	Direct	(0.1)
2(a)	Item no. (III)	Promotion of Education - Scholarship for Girls (On-going)	35.0	35.13	35.13	Indirect	0.13
				0.56	0.56	Direct	(0.56)
2(b)	Item no. (III)	Promotion of Education - STEM School Program (On-going)	14.0	14.81	14.81	Indirect	0.81
2(c)	Item no. (VII)	Promotion of Sports (On-going)	3.5	4.33	4.33	Indirect	0.83
3	Item no. (IV)	Environment - Ensuring Environmental Sustainability (On-going)	25.0	25.27	25.27	Indirect	0.27
4	Others	Other Expenses	1.0	0.0	0.0	Direct	0.0
		Sub Total	**128.5**	**131.91**	**131.91**		**(3.41)**
5	Admin	Administrative Expenses (2.95% of CSR Budget)	3.9	3.53	3.53	Direct	0.37
		Total FY 2024-25	**132.4**	**135.44**	**135.44**		**(3.04)**

Note:

*1 Administrative Expenses of 3.53 MINR i.e. 2.95% against permissible limit of 5%.

*2 SKF CSR Overspent Amount of FY 2024-25 = 3.04 MINR.

As on 31st March, 2025, Total CSR amount remaining unspent for FY 2024-25 is **Nil**. SKF India Limited's CSR Unspent Accounts have **Nil** balance as on 30th April, 2025.

(Ashish Saraf) **(Tanul Singhal)**

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)	Administrative & Service Fees, Purchase of Capital Goods & Services, Purchase of Raw Material, components, spares & Finished Goods, Reimbursements Paid, Technical & Service Income and Sale of Goods and services on continuous basis	FY 2024-25	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for the FY 2024-25.	08th May, 2024	NIL
SKF Engineering and Lubrication India Private Limited (SELIPL) Fellow subsidiary co (under the common control of AB SKF)	Purchase of Capital Goods & Services, Purchase of Raw Material, components, spares & Finished Goods, Reimbursements of expenses (Paid and Received) , Interest Income on Loan to related party, Rent Income on leased property, Sale of Goods and services, Technical & Service Income on continuous basis	FY 2024-25	The transactions are entered as ordinary course of business. The detailed information forms part of the notes to financial statements for the FY 2024-25.	08th May, 2024	NIL

For and on behalf of the Board,

SKF India Limited
Gopal Subramanyam,
Chairman
DIN: 06684319

Place: Gothenburg, Sweden
Date: 15th May, 2025

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

(Amount in MINR)

Sr. No	Particulars	Name-1
1.	Name of the subsidiary	**SKF India (Industrial) Limited**
2.	The date since when subsidiary was acquired	17th December, 2024
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	31st March, 2025
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable
5.	Share capital	1,00,000/-
6.	Reserves and surplus	(0.6873)
7.	Total assets	0.100
8.	Total Liabilities	0.100
9.	Investments	Nil
10.	Turnover	Nil
11.	Profit/ loss before taxation	(0.6873)
12.	Provision for taxation	Nil
13.	Profit/loss after taxation	(0.6873)
14.	Proposed Dividend	Nil
15.	Extent of shareholding (in percentage)	100%

1. Names of subsidiaries which are yet to commence operations: SKF India (Industrial) Limited
2. Names of subsidiaries that have been liquidated or sold during the year: Not Applicable

Note: The above details are furnished as per the audited Financial Statements of the Subsidiary Company as on 31st March, 2025.

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, 2025	31st March, 2025
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 b. Amount of Investment c. Extent of Holding (in %)	a) 5,99,625 Shares as on 31st March, 2025 b) INR 47.9 c) 26.74%	a) 28,867 Shares as on 31st March, 2025 b) INR 42.2 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 Is not consolidated	N.A.	N.A.
Net worth attributable to shareholding as per latest audited Balance Sheet	57.3	33.7
Profit or Loss for the year: a. Considered in Consolidation b. Not Considered in Consolidation	 5.4 1.92	 (3.7) (13.57)

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, 2025.

For and on behalf of the Board,
SKF India Limited

Gopal Subramanyam,
Chairman
DIN: 06684319

Place: Gothenburg, Sweden
Date: 15th May, 2025

ANNEXURE – F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE YEAR ENDED 31ST MARCH 2025

[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 01st April, 2024 to 31st March, 2025, 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, 2025, 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, 2025 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 extent 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;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015;
2. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
3. SEBI (Prohibition of Insider Trading) Regulations, 2015;
4. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(To the extent applicable during the review period)**
5. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **(Not applicable to the Company during the review period)**
6. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the review period)**
7. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client; **(To the extent applicable during the review period)**
8. SEBI (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the review period)**
9. SEBI (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the review period)**
10. SEBI (Depositories and Participants) Regulations, 2018

and circulars/guidelines issued thereunder;

(vi) Other laws Applicable specifically to the Company namely:

1) Factories Act, 1948

2) Contract Labour (Regulation and Abolition) Act 1970

3) Industrial Laws

ANNEXURE – F (contd.)

4) Environmental and Prevention of Pollution Laws

5) Legal Metrology Act, 2009

6) Competition Act, 2002

I have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(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 review period: -

1. The changes in board structure of the Company are as under:

Sr. No.	Particulars	Appointment/ Re-Appointment/Change in Designation/Cessation	Designation	Effective Date
1	Mr. Manish Bhatnagar (DIN: 08148320)	Change in Designation	Non-Executive Director	01st April, 2024
2	Mr. Shailesh Kumar Sharma (DIN: 09493881)	Cessation	Whole-Time Director and Director	08th April, 2024
3	Mr. Mukund Vasudevan (DIN: 05146681)	Appointment	Managing Director	08th April, 2024*
4	Mr. Gopal Subramanyam (DIN: 06684319)	Re-appointment	Independent Director	16th May, 2024**
5	Ms. Anu Wakhlu (DIN: 00122052)	Re-appointment	Independent Director	16th May, 2024**
6	Mr. David Leif Henning Johansson (DIN: 09651955)	Cessation	Non-Executive, Non-Independent Director	17th September, 2024
7	Ms. Kerstin Enochsson (DIN: 10774889)	Appointment	Non-Executive, Non-Independent Director	17th September, 2024@
8	Mr. Manish Bhatnagar (DIN: 08148320)	Cessation	Non-Executive, Non-Independent Director	13th February, 2025
9	Mr. Shailesh Kumar Sharma (DIN: 09493881)	Appointment	Whole – Time Director	13th February, 2025#

*Appointed by shareholders vide Ordinary Resolution passed through Postal Ballot dated 21st June, 2024.

** Appointed by shareholders vide Special Resolutions passed through Postal Ballot dated 21st June, 2024.

@Appointed by shareholders vide Ordinary Resolution passed through Postal Ballot dated 16th November, 2024.

#Appointed by shareholders vide Ordinary Resolution passed through Postal Ballot dated 30th April, 2025.

2. On 13th August, 2024, the members at the 63rd Annual General Meeting, approved the following items of special business vide Ordinary Resolutions –

a. Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, (fellow subsidiary).

b. Material Related Party Transactions with SKF Engineering and Lubrication India Private Limited, (fellow subsidiary).

c. Ratification of remuneration of Cost Auditors.

3. On 17th September, 2024, the Board of Directors constituted Corporate Restructuring Committee, pursuant to the press release issued by M/s. AB SKF (the promoter shareholder of the Company) with regard to the initiation of separation of their automotive business globally.

4. 08th October, 2024, the Board of Directors approved the incorporation of a Wholly Owned Subsidiary in the name and style of 'SKF India (Industrial) Limited'. Further, on 26th December 2024, the Board of Directors approved the Scheme of Arrangement between SKF India Limited and SKF India (Industrial) Limited.

and the necessary stock exchange intimations are submitted by the Company within prescribed timelines

For J. B. Bhave & Co.
Company Secretaries

Jayavant B. Bhave
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 1238/2021
UDIN: F004266G000346621

Place: Pune
Date: 15th May, 2025

ANNEXURE – F (contd.)

ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF SKF INDIA LIMITED

(Year Ended 31st March 2025)

AUDITORS' RESPONSIBILITY

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSAS1 to CSAS4) -

- Maintenance of secretarial records is the responsibility of the Management of the Company. My responsibility as the Auditor is to express my opinion on the compliance with the applicable laws and maintenance of Records based on the Secretarial Audit conducted by me.
- The Secretarial Audit needs to be conducted in accordance with the applicable Auditing Standards. These Standards require that the Auditor should comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of Records.
- I am also responsible to perform procedures to identify, assess and respond to the risks of material misstatement or non-compliance arising from the Company's failure appropriately to account for or disclose an event or transaction. However, due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit was properly planned and performed in accordance with the Standards.

Accordingly, I wish to state as under-

1. The Secretarial Audit for the year ended 31st March 2025 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

Place: Pune
Date: 15th May, 2025

ANNEXURE – G

SECRETARIAL COMPLIANCE REPORT OF SKF INDIA LIMITED

for the year ended 31st March, 2025

[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:

1) all the documents and records made available to us and explanation provided by **SKF India Limited** ("the listed entity"),
2) the filings/submissions made by the listed entity to the stock exchanges,
3) website of the listed entity,
4) any other document/filing, as may be relevant, which has been relied upon to make this certification,

for the year ended FY 31st March, 2025 ("Review Period") in respect of compliance with the provisions of:

1) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
2) 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 extent 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, 1993; **[To the extent 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/We 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 ..... (the years are to be mentioned)	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/we 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 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	-
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.	Yes Yes	- -
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	-

ANNEXURE – G (contd.)

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS
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	-
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	No such instance 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.	Yes	No actions were taken by SEBI or Stock Exchanges during the Review Period.

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. We 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
PR No.: 1238/2021
UDIN - F004266G000346751

Place: Pune
Date: 15th May, 2025

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, 2025 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, 2019*
2.	Mr. Mukund Vasudevan	Managing Director	05146681	08th April, 2024
3.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	00122052	16th May, 2019*
4.	Mr. Shailesh Kumar Sharma	Whole-Time Director	09493881	13th February, 2025
5.	Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director	09651911	28th June, 2022
6.	Ms. Kerstin Enochsson	Non-Executive, Non-Independent Director	10774889	17th September, 2024
7.	Mr. David Leif Henning Johansson	Non-Executive, Non-Independent Director	09651955	28th June, 2022**
8.	Mr. Manish Bhatnagar	Non-Executive, Non-Independent Director	08148320	16th August, 2018***

*Mr. Subramanyam Gopal and Ms. Anu Arun Wakhlu, were re-appointed as Independent Directors for the second term of 5 years w.e.f. 16th May, 2024.

**Mr. David Leif Henning Johansson resigned as a Director (Non-Executive, Non-Independent) of the Company w.e.f. 17th September, 2024.

***Mr. Manish Bhatnagar, has resigned as a Director (Non-Executive, Non-Independent) w.e.f. 13th February, 2025.

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.: 1238/2021
UDIN: F004266G000346883

Place: Pune
Date: 15th May, 2025

ANNEXURE – I

STATEMENT OF DISCLOSURE OF REMUNERATION

[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 to the median remuneration of the employees of the Company for the FY 2024-25; the percentage increase in remuneration of each Director

Name of Director / KMP	Designation	Ratio of remuneration of each Director/ Chief Financial Officer/Company Secretary to the median remuneration	Percentage increase in remuneration (%)
Mr. Gopal Subramanyam	Chairman, Non- Executive, Independent Director	0.065	0%
Ms. Anu Wakhlu	Non-Executive-Independent Director	0.053	0%
Mr. Mukund Vasudevan	Managing Director	19.8	0%
Mr. Karl Robin Joakim Landholm	Non-Executive Non-Non-Independent Director	NA	NA
Ms. Kerstin Enochsson	Non-Executive Non-Non-Independent Director	NA	NA
*Mr. Shailesh Sharma	Whole Time Director	9.05	13%
Mr. Ashish Saraf	CFO	5.69	31 %
Mr. Ranjan Kumar	Company Secretary	6.00	17 %

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

(B) The percentage increase in remuneration of the Chief Financial Officer (CFO) and the Company Secretary (CS) in the FY 2024-25: 31% and 17 % respectively

(C) The percentage increase in the median remuneration of employees in the FY 2024-25: 7.3%

(D) The number of permanent employees on the rolls of company: 1726

(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: 11% and 15% 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 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

Place: Gothenburg, Sweden
Date: 15th May, 2025

Gopal Subramanyam,
Chairman
DIN: 06684319

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 is committed to Decarbonization and Net Zero GHG emission goals as a part of its Sustainability journey. Energy efficiency improvements in manufacturing processes and renewable energy sourcing are the key drivers for Decarbonization and Net Zero emissions to reduce absolute energy consumption and offset scope 1 & 2 emissions. SKF India manufacturing sites worked extensively on break through technology projects to save energy in the year 2024-25.

1. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY.

All three SKF India sites are ISO 50001 certified for energy management system. Following, important energy conservation activities were carried out at Pune, Bangalore and Haridwar plants.

1.1 Pune

- As per ISO50001 guidelines, energy review was conducted and identified significant energy users such as grinding channels 41%, compressors 17%, Heat treatment 16 %, Centralized utilities 15%, HVAC 6% and others 5%.
- The idea generation session was conducted in April 2024. The cross functional team identified 201 small energy saving projects that resulted in 283 MWH of savings in energy consumption.
- Based on the third-party energy efficiency assessment, around 27 three phase induction motors were replaced with IE3 & IE4 energy efficient motors on grinding and honing machines.
- A major energy saving breakthrough was achieved through heat treat furnace insulation paint and refractory maintenance along with thyristor control system installation for hardening zone heaters that resulted into 354 MWH saving.
- Specific electrical energy consumption was reduced from 14.5 (2023-24) to 14.2 (2024-25) MWH/MINR VASC, resulting in 2.1% energy consumption reduction over last financial year.
- The team identified and closed more than 540 compressed air leakages, maintaining the specific energy consumption of compressors to 0.151 KW/CFM well below the target of 0.155 KW/CFM
- Heat treatment furnace insulation revamping carried out for 2 furnaces resulting in reduced thermal losses and subsequent energy consumption reduction. Planned maintenance activities were completed for all 7 furnaces.
- "Go Green" energy Saving project activities were completed on more than 16 grinding and honing machines on various channels by optimizing energy consumption during idle working on machines. Approximate energy saving achieved is 73 MWH.
- Power factor was maintained at near unity 0.996 PF for the complete year.

1.2 Bangalore

- Energy saving projects resulted in 724 MWH of energy saving in Year 2024-25.
- Specific electrical energy consumption was reduced from 14.00 (2023-24) to 13.64 (2024-25) MWH/MINR VASC, 2.5% reduction over 2023-24.
- TFA units in Grinding & Assembly are Retrofitted with Electronic Commutator Fan – 12 no, resulted 185 MWH / Year
- IE3 &IE4 motors in place of IE1 motors, downsizing of electrical motors and hydraulic pumps, use of variable frequency drives and use of lower size servo motors in place of induction motors – 3 installations resulted 34 MWH /Year
- Major energy saving projects HHE-Powerpack Elimination: 2machines (7.5 KW) and HMV power pack elimination 5.5 kw 2 machines.
- Leaks seek concept- around 478 points of Air leakage were arrested. Resulted in reducing noise intern reduction in energy per CFM.

- Shopfloor Kaizen Projects- 16 no, implemented across factory in various areas.
- "Go Green" energy saving Program (Stop motors during idle running of machines) – Implemented on 09 grinding and honing machines, saving 35 MWH of energy.
- Switching off conveyors during open variants, saving 25 MWH.
- SSB- 1 Pilot machine is converted with servo driven roller screw & servo dresser motor , eliminated 40 bar hydraulic pump, resulted in 20 MWH of energy saving, having good potential to replicate in 16 machines.
- Power Factor improved and maintained at 0.99 PF.

1.3 Haridwar

- The energy saving projects resulted into reduction of specific energy consumption from 16 (FY 23-24) to 13.4 (FY 24-25) MWH/ MINR VASC resulted in reduction of 16.3% in specific energy consumption.
- Motor energy efficiency class improvement in grinding machines such as SSB/SHG, saving 125 MWH annually.
- Upgradation of air handling units (AHUs) with new technology EC + Fan, saving 246 MWH/year.
- Haridwar team has identified and eliminated more than 170 compressed air leakages as a part air leakage campaign.
- Reduction of energy consumption in compressors by design modification of suction filters.
- Energy saving of 20 MWH by installation of vacuum-based system on washing machines across four channels.
- Elimination of hydraulic power pumps used for HHE machines by implementation of hydro pneumatic system eliminating use of 5.5 Kw motor in the operation.
- In the year 2024-25, better utilization of energy in central utilities and HVAC system in combination with technology breakthrough energy saving projects resulted in overall 1743 MWH of energy savings.

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

- SKF Pune has invested in the additional capex farm solar project of 5.7 MW project became fully operational from July 2024.
- To achieve decarbonization, SKF India signed VPPA fixed priced IREC project. This has increased renewable energy sourcing and offsetting of brown energy to 100% from January 2025 onwards.
- During the year, Pune site sourced 23.3 GWH of renewable energy which is 53% of its total requirement.

Bangalore

- In the year 2024-25, SKF Bangalore sourced 19.56 GWH of renewable energy through Group captive wind solar hybrid project.
- Along with Onsite roof top solar, Bangalore site is sourcing and sourcing more than 95% renewable energy for the last two years.

Haridwar

- To achieve decarbonization, SKF India signed VPPA fixed priced IREC project. This has increased renewable energy sourcing and offsetting of brown energy to 100% from January 2025 onwards.
- SKF Haridwar has sourced 1.73 GWH of renewable energy which is 22% of the total energy requirement during 2024-25.

3. **The capital investment on energy conservation equipment.**

All the small energy saving projects completed in this financial year in Pune, Bangalore and Haridwar are completed on revenue budget. SKF India has invested ~ 4.5 MSEK for energy saving project for heat treatment furnaces in Pune and air handling unit (AHU) energy improvement at Bangalore.

ANNEXURE – J (contd.)

B. TECHNOLOGY ABSORPTION

1. THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION OF THE COMPANY

1.1 Pune

(i) Product and Process Development/improvement and Import Substitution

- Added New channel HUB capacity addition 1.6 MPCs capacity.
- Under localization strategy, also added new channel for UC insert bearing capacity 1.2 MPCS
- Taper HUB channel expansion will add 0.5 MPCs capacity by adding new machines.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution.

- Developed 20 New Products in DGBB, TRB and HUB
- Productivity Improvement in Taper HUB by improving Cycle Time and reducing losses.
- Almost 10 machines upgraded locally.

(iii) Imported Technology

- Imported Grinding and Honing machine for Taper HUB expansion.
- Transferred two HUB channels from Spain and Korea.
- Transferred one Taper HUB channel from China to India.

1.2. Bangalore

(i) Product and Process Development/improvement and Import Substitution

- New CL660 machines installed in the VAS channel & completed.
- New MZU-N machines installed in channel-5 & completed
- SOBC new oven 1 no installed & completed
- Online Spinning units installed in CH1, 2, 4 & 5 & completed.
- New Agile poke yokes total 13 nos installed in ch1,2 & 6 & completed
- Ring mix up detection poke yoke installed in Ch-2 & completed
- Electronics upgradation from MTC to NEW PLC system – 38 # completed
- CRB Layout modification in the ch-7 in the factory to run CRB & DGBB simultaneously & completed.
- Ch-4 Assembly layout modification from Final wash to SMD completed
- Channel-5 installed new HHM-1 grease filling machine-completed.
- New Agile types developed for 6203, 6204 & 6205 types
- New DGBB types developed 6204E & BB1-0353 in ch-1 and BB1-4705 in CH-7
- As part of flexibility improvement 6003 & 6001 type developed in channel 3 & 4

(ii) Imported Technology

- New HMV machine developed for channel 4.
- Channel-4 new MYD machine developed.
- IZUMI m/c for CRB IR flange grinding installed and competed
- FBM IR track honing m/c installed & completed
- Localization of OR & IR Ring washing machines in ch-4 (flushing & suction type)
- New CRB products NJ 204, NJ 206 & BC1-3691 series production done
- New CRB BC1-3910, BC1-3145, BC1-3691, BC1-3906 & BC1-3878 samples delivered

(iii) the benefits derived like product improvement, cost reduction, product development or import substitution.

Nil

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 2 Mpcs annually.

- New Product Development -Wheel End Application Bearings developed for Vehicle aftermarket.
- Bore Grinding (10 no's) & Inspection equipments upgraded to improve the reliability of machines.

(ii) the benefits derived like product improvement, cost reduction, product development or import substitution.

- Cost Reduction Projects by driving ICR Projects to save the Direct Material cost (Cage , Ball, Seal & Rings), Projects on Cost of Non-Quality to reduce scrap cost.
- Upgradation of Utility Honing System.
- Many cost saving projects completed to reduce cost of Repair and Maintenance, Tooling & abrasives and other shop-supply costs.

(iii) Imported Technology

- Upgradation of Quality Equipment's (Vibration & Noise Inspection equipment. The HVAC system Fan upgraded.
  - a) Details of technology imported – Vibration & Noise Inspection equipment's, HVAC system.
  - b) Import year – 2024
  - c) Absorption year 2024-25
  - d) Technology absorption status. – Fully absorbed
  - e) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof – Not applicable
  - f) the expenditure incurred on Research and Development – This was technology transfer, and equipment Upgradation. No expenditure on R&D.

(iii) the expenditure incurred on Research and Development.

Research and Development is done at group level

C. 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 Asia, Brazil and USA. In the current year, we developed and launched many new products for European and Asian automotive customers and volumes have ramped up in second half of 2024 onwards. This helped to increase exports. Exports is INR4,235 MINR, which is about 9% per cent of the total sales. SKF factories in SEA region and Europe were facing strong demand and these factories requested SKF India factories for support production. This was one more reason for higher export.
- In 2025 export was higher by 452 MINR compared to 2024
- The information on foreign exchange earnings and outgo is as below:

Earnings in foreign exchange is INR 5,062 MINR which is about 10% per cent of the total sales, comprising of exports of INR 4,235 MINR and technical and other service income and reimbursement of expenses INR 827 MINR.

Outgo in foreign currency purchase of finished products INR 11,048 MINR; purchase of components, stores, capital goods INR 2,660 MINR; royalty INR 813 MINR, trademark fee INR 510 MINR, IT services INR 367 MINR, professional fees, travel and other expenses INR 124 MINR and dividend remitted INR 3,379 MINR.

For and on behalf of the Board,
SKF India Limited

Gopal Subramanyam,
Chairman
DIN: 06684319

Place: Gothenburg, Sweden
Date: 15th May, 2025

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, 2025.

For and on behalf of the
Board of Directors of SKF India Limited

Mukund Vasudevan,
Managing Director
DIN: 05146681

Date: 15th May, 2025
Place: Gothenburg, Sweden

ANNEXURE – L

DIVIDEND DISTRIBUTION POLICY

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 utilisation 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 maximization 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 when it 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 FY 2025

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1. **Corporate Identity Number (CIN) of the Listed Entity:** L29130PN1961PLC213113
2. **Name of the Listed Entity:** SKF INDIA LIMITED
3. **Year of incorporation:** 1961
4. **Registered office address:** Chinchwad, Pune, 411033, Maharashtra
5. **Corporate address:** Chinchwad, Pune 411033, Maharashtra
6. **E-mail:** InvestorIndia@skf.com
7. **Telephone:** 020 66112500
8. **Website:** https://www.skf.com/in/investors
9. **Financial year for which reporting is being done:** FY 2024-25
10. **Name of the Stock Exchange(s) where shares are listed:** BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE")
11. **Paid-up Capital:** 49,43,79,630 INR
12. **Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:** Ranjan Kumar
    Contact: (+91) 20 66112623
    Email: InvestorIndia@skf.com
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).: Standalone basis
14. **Name of assurance provider:** -- NA
15. **Type of assurance obtained:** -- NA

II. Product/Services

16. **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	Manufacturing and Distribution of bearings, seals, lubrication systems, mechatronics, and related products and services.	100%

17. **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%

III. Operations

18. **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

19. Markets served by the entity

a. Number of locations

Location	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?

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

20. Details as at the end of financial year:

a. Employees and workers (including differently abled):

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	EMPLOYEES					
1.	Permanent(D)	805	627	78%	178	22%
2.	Other than Permanent (E)	448	322	72%	126	28%
3.	Total employees (D+E)	1253	949	76%	304	24%
	WORKERS					
4.	Permanent(F)	922	919	99.7%	3	0.3%
5.	Other than Permanent (G)	1219	947	77.7%	272	22.3%
6.	Total workers (F+G)	2141	1866	87.2%	275	12.8%

b. Differently abled Employees and workers:

Sr. No.	Particulars	Total (A)	Male		Female	
			No.(B)	%(B/A)	No.(C)	%(C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent(D)	0	0	0	0	0
2.	Other than Permanent (E)	1	1	100%	0	0
3.	Total employees (D+E)	1	1	100%	0	0
	DIFFERENTLY ABLED WORKERS					
4.	Permanent(F)	1	1	100%	0	0
5.	Other than Permanent (G)	6	3	50%	3	50%
6.	Total workers (F+G)	7	4	57%	3	43%

21. Participation/Inclusion/Representation of women:

	Total (A)	Number and percentage of Females	
		No.(B)	%(B/A)
Board of Directors	6	2	33%
Key Management Personnel	4	0	0%

22. Turnover rate for permanent employees and workers:

(Disclose trends for the past 3 years)

	FY 2024-25			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	8%	3%	11%	17%	19%	18%	15.8%	18.8%	16.3 %
Permanent Workers	1%	0%	1%	6.4%	0%	6.4%	5.9%	0.0%	5.9 %

V. Holding, Subsidiary and Associate companies (including joint ventures)

23. a. Names of holding/subsidiary/associate companies/joint ventures

S. 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.	AB SKF	Holding Company	*45.85%	No
2.	Sunstrength Renewables Private Limited	Associate	26.74%	No
3.	Cleanmax Taiyo Private Limited	Associate	26%	No
4.	SKF India (Industrial) Limited	Wholly Owned Subsidiary	100%	No

Note: * AB SKF Holds 45.85% in SKF India Limited as Holding company and promoter group holds 6.73%

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No):

Yes

(ii) Turnover (in INR.): 49,199.2 Mn

(iii) Net worth (in INR.): 25,979.7 Mn

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/ No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		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	YES	0	0	-	1	1	We have recently received feedback from the community near our factory. We have already made significant investments in improvement projects aimed at addressing this concern
Investors (other than shareholders)	Yes https://www.skf.com/in/investors	0	0	-	0	0	-
Shareholders	Yes https://www.skf.com/in/investors/shareholder-information	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 31st March, 2025 and same had been replied by 23rd April, 2025. There are no Outstanding Correspondence as on the date	23	**2	In FY 2023-24, total 1960 correspondences were received by the Company, out of which 1876 correspondences were replied to the satisfaction of shareholders during the year under review, remaining 84 were carried forward and resolved by 29th April, 2024
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 FY 2025 (Contd.)

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2024-25			FY 2023-24		
		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
Customers	Yes https://www.emarketplace.in.skf.com/privacy-policy	149	16	To ensure we address our customers' concerns effectively, we have established a variety of communication channels, including the Complaint Handling System (covering both administrative and technical matters), Customer Care, and our official website. Throughout the reporting year, we received a total of 49 administrative complaints and 100 technical complaints. As of March 31, 2025, we acknowledge that 4 administrative complaints (8%) and 12 technical complaints (12%) remain open and we are committed to resolving them promptly.	467	56	To effectively manage our customers' concerns, we have established multiple communication channels, namely the Complaint Handling System (both administrative and technical), Customer Care, and our official website. Over the course of the reporting year, we received 329 administrative complaints and 138 technical complaints. As of 31st March, 2025, 45 (14%) administrative complaint and 11 (8%) of technical complaints remain unresolved
Suppliers and Distributors	Yes https://www.skf.com/in/organisation/for-supplier	0	0		0	0	Suppliers can register their grievances through dedicated E-Mail Id
Other (please specify) CSR Beneficiaries and community development partners	Yes Community partners are expected to adhere to Code of Conduct (CoC) and any breaches/deviations from the code is expected to be reported as outlined in the Code of Conduct https://www. skf.com/in/organisation/for-supplier	0	0		0	0	We have conducted impact studies for our CSR programmes through third party. In association with CSR partners, we take up counselling and workshop sessions for beneficiaries

**Last year we had mentioned pending as 21 but same was replied to shareholder, only 2 were pending at close of the year.

26. 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:

S. 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	Opportunity	SKF India strives to meet the needs of its customers through innovative products and solutions	-	Positive Implications
2	Economic Performance	Opportunity	SKF is a profit-driven organisation. The financial performance is the overall indicator of the economic impact SKF has on society, as an employer, a member of the stock market and a customer and supplier to other companies	-	Positive Implications
3	Occupational health and safety	Risk and opportunity	SKF gives top priority to the health and safety of employees, contractors, agency workers and visitors and is committed to providing safe and healthy working conditions to prevent work-related injury and ill health as well as to assure well-being in the work environment	Workplace Safety at SKF India is guided by "SKF Care" principles for employees and "Business Care" and our operations are compliant with ISO 45001 standards	Negative Implications
4	Energy and energy management	Opportunity and risk	We work towards positively impacting environment by focusing on reducing energy consumption and carbon footprint	SKF India is adopting various strategies for reducing its own operational carbon footprint as detailed in Principle 6	Positive and Negative Implications
5	Supplier ESG (Environmenta, Social & Governance) performance	Opportunity and risk	Supply chain sustainability is very significant for resilient businesses. It is imperative to align the suppliers with the organisation's sustainability vision for creating long-term value	SKF India works closely with its suppliers for meeting the Sustainability targets. We also run a supplier ESG improvement programme wherein the ESG performance of the suppliers is mapped and measures are taken for implementing key actions	Positive and Negative Implications

BUSINESS RESPONSIBILITY SUSTAINABILITY REPORT FY 2025 (Contd.)

S. 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)
6.	Anti-corruption	Opportunity and risk	Businesses care about meeting the customer expectations along with profitability and shareholder returns while adhering to the highest standards of ethical behaviour	The Company has a strong code of conduct (CoC) in place outlining the strategies for transparent and accountable operations including Fair Competition Directive and Anti-Bribery and Anti-Corruption Directive to prevent, reduce and mitigate risk related to anti-corruption. All stakeholders are sensitised on our CoC and the Company has zero tolerance towards the non-compliance of CoC	Positive and Negative Implications
7.	Water	Opportunity and risk	Water stewardship in operations is essential for managing water related impacts and ensuring operational eco-efficiency	SKF India focuses on environmental aspects like energy, water, soil, and air. The risks are identified through our Sustainability, EHS and plant teams for taking necessary steps to mitigate the probable risks	Positive and Negative Implications

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

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)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available.	Y	Y	Y	Y	Y	Y	Y	Y	Y
2. Whether the entity has translated the policy into procedures. (Yes/ No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners?	Y	Y	Y	Y	Y	Y	Y	Y	Y

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, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle	The Company is aligning with various certification and frameworks as listed below • ISO 9001:2015 • ISO 14001:2001:2015/ISO45001:2018 • ISO 50001:2018 • OECD guidelines for multinational enterprises, • UN Global Compact Ten principle, Sustainable development Goals, • Steel Zero, • RE100 and SBTi, • Responsible Steel Initiatives • LEED certification • GRI • NGRBC Principle								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any	• By 2030, the facilities of SKF India would be operating with decarbonization strategy • By 2050, SKF India will achieve Net-Zero emissions across the value chain • By 2030, the facilities of SKF India would be achieving Water Neutrality • SKF India has taken the target of achieving 35% Diversity in Leadership by 2025								
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 renewable energy sourcing >95% of it's total requirement • Our Bangalore factory has already achieved the water neutrality and got provisionally certified by 3rd party • Critical Suppliers identified and GHG emission programs for suppliers are been identified and implementation started • Focused Approach in diversity ratio improvement, which is clearly visible in both our permanent & other than permanent employees & workers								
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)	Ranjan Kumar, Director-People Experience, Legal, Sustainability & CA (Industrial Region ISEA)								
9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details	The responsibility for overseeing material topics is shared among the directors of Ethics, Legal, Sustainability, and Corporate Affairs. The Managing Director (MD) and Executive Director provide oversight in this area. Executive leaders ensure that the board is regularly informed about the performance and management strategies related to these material topics								

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									Frequency (Annually/Half yearly/ Quarterly/Any other-please specify								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	Y	Y	Y	Need based, Regular								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	Y	Y	Y	Y	Y	Y	Y	Y	Y									

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.

P1	P2	P3	P4	P5	P6	P7	P8	P9
N	N	N	N	N	N	N	N	N

The links for SKF India's policies relating to NGRBC principles are listed below

- Code of Conduct
- Vigil Mechanism Policy
- EHS Policy
- CSR Policy
- SKF Group Quality Policy

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

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)									

SECTION C: PRINCIPAL 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: Business 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%
Key Managerial Personnel		CoC, Skill Building, Leadership, Behavioural, Technical Induction	100%
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%
Workers		CoC, Health & Safety, Energy Efficiency, Integrated Waste Management Improvement, Skill Upgradation	100%

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)
Penalty/Fine	None	None	None	None	
Settlement	None	None	None	None	
Compounding fee	None	None	None	None	

Non-Monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	None	None	None	None
Punishment	None	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 an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

   Yes, anti-corruption and anti-bribery have been covered in our Code Of Conduct, which is shared in Section B.

   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

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 2024-25	FY 2023-24
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2024-25		FY 2023-24	
	Number	**Remarks**	**Number**	**Remarks**
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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 ((Accounts payable *365)/Cost of goods/services procured) in the following format:

	FY 2024-25	FY 2023-24
Number of days of accounts payables	76	94

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 2024-25	FY 2023-24
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	0%	0%
	b. Number of trading houses where purchases are made from	0%	0%
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	0%	0%
Concentration of Sales	a. Sales to dealers/distributors as % of total sales	33%	34%
	b. Number of dealers distributors to whom sales are made	629	599
	c. Sales to top 10 dealers/distributors as % of total sales to dealers/distributors	22%	31%
Share of RPTs in	a. Purchases (Purchases with related parties/Total Purchases)	64%	58%
	b. Sales (Sales to related parties/Total Sales)	9%	9%
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	98%	100%
	d. Investments (Investments in related parties/Total Investments made)	100%	100%

PRINCIPLE 2: Business 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 2024-25	FY 2023-24	Details of improvements in environmental and social impacts
R&D		Nil	-
Capex	5%	9%	Various capital investments targeting the improvement in social and environmental performance have been taken up in FY 2024-25 which includes Solar Captive Energy, Waste recycling plant, Oil recycling, water management

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

YES

The sustainable sourcing at SKF is guided by "Supplier Sustainability Policy-India & Southeast Asia". The Policy sets the guidelines for suppliers to collaborate for our shared sustainability goals and maintain transparency with ESG standards and engage in fair and ethical business practices. Supplier sustainability assessments were conducted to ensure the engagements with ESG compliant suppliers. We have implemented green procurement guidelines which includes the prioritization of local procurement, energy efficient devices and adherence to supplier CoC.

Our Green Supply Chain Policy (Group Environmental, Energy, Health & Safety Policy) guides to systematically work to understand the sustainability impacts of our supply chain. In addition, Supplier CoC and Sustainability Standard for Suppliers mandates the compliance towards social standards including human rights. Trainings are provided to new suppliers on CoC compliance and corrective actions are suggested and necessary guidance is provided for non-compliers.

b. **If yes, what percentage of inputs were sourced sustainably?**

All critical suppliers have been sourced sustainably.

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.**

At SKF India, we actively promote circularity by recycling defective items through repurposing with steel suppliers. We are establishing procedures for reclaiming products to facilitate recycling and reuse. In line with our commitment to sustainability and the principle of reuse, we offer remanufacturing services for select bearings, extending their lifespan and significantly reducing material consumption. Additionally, our "Rotating Equipment Performance" business vertical provides comprehensive services for health monitoring of rotating equipment and predictive maintenance, helping prevent unplanned breakdowns and leading to substantial energy and resource savings. Furthermore, our Recond oil service enables customers to reuse their process oil by increasing its lifespan and maintaining its purity, contributing to overall resource efficiency.

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.**

Yes, Extended Producer Responsibility (EPR) is applicable to SKF India's activities. We have registered for Plastic, Battery, and Used Oil EPR and are complying with the requirements by timely fulfilling the targets and filing annual returns. Our waste collection plan is in line with the EPR plan submitted to the Pollution Control Boards, ensuring that we meet all regulatory standards and contribute to sustainable waste management practices.

PRINCIPLE 3: Business 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	627	627	100%	627	100%	NA	0	627	100%	627	100%
Female	178	178	100%	178	100%	178	100%	NA	NA	178	100%
Total	**805**	**805**	**100%**	**805**	**100%**	**178**	**100 %**	**606**	**100%**	**805**	**100%**
Other than Permanent employees											
Male	322	322	100%	322	100%	NA	NA	NA	NA	NA	NA
Female	126	126	100%	126	100%	126	100%	NA	NA	NA	NA
Total	**448**	**448**	**100%**	**448**	**100%**	**126**	**100%**	**NA**	**NA**	**NA**	**NA**

b. **Details of measures for the well-being of workers:**

Category	% of workers 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	919	919	100%	919	100%	NA	NA	919	100%	919	100%
Female	3	3	100%	3	100%	3	100%	NA	NA	3	100%
Total	922	922	100%	922	100%	3	100%	919	100%	922	100%
Other than Permanent workers											
Male	947	947	100%	947	100%	NA	NA	NA	NA	NA	NA
Female	271	271	100%	271	100%	271	100%	NA	NA	NA	NA
Total	1219	1219	100%	1219	100%	271	100%	NA	NA	NA	NA

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-**

	FY 2024-25	FY 2023-24
Cost incurred on well-being measures as a % of total revenue of the Company	0.5%	0.93%

2. Details of retirement benefits, for Current FY and Previous Financial Year

Benefits	FY 2024-25			FY 2023-24		
	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%	100%	YES	100 %	100 %	YES
Gratuity	100%	100%	NA	100 %	100 %	NA
ESI	8.83%	16.50%	YES	0 %	22 %	YES
Others – please specify	-	-	-	-	-	-

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.

SKF India is dedicated to fostering an inclusive work environment. The Company is actively enhancing accessibility across its premises to accommodate individuals with disabilities. Comprehensive accessibility assessments have been conducted, and plans for infrastructure changes are being prepared. At our corporate office, we have installed disabled-friendly toilets to ensure inclusivity and convenience for all. These efforts reflect our commitment to creating a workplace that is accessible and welcoming to everyone.

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.

Yes, the Code of Conduct reflects our commitment to providing equal opportunities for individuals with disabilities, ensuring inclusivity and non-discrimination in all aspects of employment and participation. Ensuring human rights and labour standards, both within our organization and across our value chain, is a key focus at SKF. We prioritise inclusive development through fair employment practices and unequivocally prohibit discrimination or harassment based on any grounds, including race, religion, gender, physical ability, or any other factor.

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%	100%	100%	100%
Female	100%	100%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

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.

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes, SKF prioritizes open communication and upholds gender equality through a comprehensive policy. All facilities have Internal Complaint Committees as mandated by the Prevention of Sexual Harassment Act. Our Whistleblower policy is designed to thoroughly investigate any breaches related to ethics outlined in our Code of Conduct, while also ensuring protection for the individuals who report such breaches. In addition to the option for employees or other stakeholders to approach the HR Manager, Director HR, or even the Managing Director directly, we provide a dedicated phone line and email address for reporting grievances. Individuals can send direct mails to the MD or even to the Group CEO. In cases where violations of the Code of Conduct are confirmed, disciplinary action has been taken against employees. Further details on child labour prevention and anti-discrimination measures can be found in Principle 5 of this report.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Category	FY 2024-25			FY 2023-24		
	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	**805**	**0**	**0%**	**743**	**0**	**0%**
Male	627	0	0%	606	0	0%
Female	178	0	0%	137	0	0%
Total Permanent Worker	**922**	**922**	**100%**	**958**	**958**	**100%**
Male	919	919	100%	955	955	100%
Female	3	3	100%	3	3	100%

8. Details of training given to employees and workers:

Category	FY 2024-25					FY 2023-24				
	Total (A)	On Health and Safety Measures		On Skill Upgradation		Total (D)	On Health and Safety Measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	627	627	100%	347	55%	606	606	100%	481	79%
Female	178	178	100%	93	52%	137	137	100%	101	74%
Total	**805**	**805**	**100%**	**440**	**55%**	**743**	**743**	**100%**	**582**	**78%**
Workers										
Male	919	919	100%	919	100%	955	955	100%	955	100%
Female	3	3	100%	3	100%	3	3	100%	3	100%
Total	**922**	**922**	**100%**	**922**	**100%**	**958**	**958**	**100%**	**958**	**100%**

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25			FY 2023-24		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	627	584	93%	606	577	95%
Female	178	149	83%	137	119	87%
Total	**805**	**733**	**91%****	**743**	**696**	**93%**
Workers						
Male	919	0	Nil	955	0	Nil
Female	3	0	Nil	3	0	Nil
Total	**922**	**0**	**Nil**	**958**	**0**	**Nil**

**Performance reviews do not apply to employees who joined in the last quarter of the year. Consequently, the performance metrics for applicable employees will likely be below 100%.

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?

SKF is unwavering in its commitment to achieving zero work-related accidents, prioritising safety with the belief that all incidents are preventable. Our core objectives focus on preventing injuries and safeguarding employee health in the workplace.

SKF's robust internal systems and controls are aligned with strategic goals to minimise waste, safety risks, environmental impact, and operational costs. As an ISO 14001:2015 and ISO 45001:2018 certified company, SKF India strictly adheres to Environmental Management Systems (EMS) and Environmental, Health & Safety (EHS) protocols for managing occupational hazards. This includes the proactive identification and management of potential hazards across our manufacturing processes. We have established clear guidelines for safe work practices and protocols for handling emergencies.

The Company conducts annual Management Review meetings to address safety and environmental concerns, including legal compliance, internal and external audits, and safety observations. These audits, along with Group EHS audits and observations, help identify hazards and continuously improve the effectiveness of existing controls.

SKF prioritises occupant safety through comprehensive training programs. We offer third-party seminars, in-house sensitisation programs, and distribute learning modules, publications, and regular safety newsletters. Additionally, we celebrate National Safety Month and World Environment Day to raise awareness.

Despite experiencing Two recordable accidents this year, we have taken corrective actions to prevent future occurrences. SKF is intensifying its efforts towards achieving our zero-accident vision through ongoing engagement and awareness programs. These initiatives reflect our dedication to creating a safe and healthy work environment for all employees.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

SKF India leverages a comprehensive Hazard Identification and Risk Assessment (HIRA) methodology, aligned with our Environmental Management System (EMS), to proactively identify potential safety hazards. This qualitative assessment allows us to develop effective mitigation plans for managing these risks.

We have identified and ensured preparedness for a wide range of emergencies, including fire, spills, accidents, food poisoning, vehicular incidents, electrical hazards, and natural disasters. SKF's Emergency Response Plan (ERP) outlines comprehensive precautionary controls for these eventualities.

SKF India is committed to continuous improvement. We conduct regular mock drills to ensure preparedness and effectiveness of the ERP. Detailed plans and reports associated with the ERP and mock drills are readily available at our plant facilities. We also conduct various third-party and compliance audits, further strengthening our risk management framework.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Y/N)

SKF India has established a well-defined procedure for managing unsafe conditions throughout its operational boundaries. This procedure actively encourages employee participation in identifying work-related hazards.

Employees, supervisors, and managers are empowered to participate in structured Hazard Identification and Risk Assessments (HIRA) preparations, safety walks, and share valuable feedback. At SKF India, health and safety committees are operated at the factory or unit level. These committees bring together worker and management representatives to discuss and agree upon essential measures for improving overall health and safety performance.

We provide trainings to employees and workers to equip them with the knowledge and skills to take necessary precautionary measures and remove themselves from any hazardous situations.

d. Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)

YES

We prioritise employee health and well-being by offering comprehensive medical support across all our locations. This includes:

- o On-site dispensaries with doctor consultations: Employees have access to medical professionals for consultations at all SKF India locations
- o 24/7 ambulance service: We provide a round-the-clock ambulance service to address emergency medical needs
- o Hospital partnerships: SKF India has established partnerships with hospitals to ensure access to emergency services, healthcare provisions, and treatment for work-related injuries
- o Periodic health checkups: Employees and their families undergo regular health checkups at reputable hospitals to promote preventive care
- o Internal and external medical schemes: SKF India offers separate medical schemes for workers (internal) and staff employees (external) to address non-occupational healthcare needs
- o Need-based vaccination camps: The Company organizes vaccination drives to ensure employees are up-to-date on essential vaccinations
- o Healthcare/awareness programs: In collaboration with hospitals, SKF India conducts regular programs to educate employees on various health topics, including first aid, emergency response, women's health, chronic disease management, and mental well-being
- o Employee wellness programs: SKF India offers online or in-person training sessions on topics like work-life balance, healthy habits, sleep hygiene, cancer awareness, and stress management. These programs promote overall employee well-being, encompassing both physical and emotional health

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25	FY 2023-24
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.28	0.453
Total recordable work-related injuries	Employees	0	0
	Workers	2	3
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

*Including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

SKF India acknowledges that the experience and skills of its employees are the Company's most valuable asset. Promoting a culture of employee well-being is integral to our business practices. Throughout FY24, SKF India conducted regular training programs and awareness sessions to enhance employee health, safety, and responsible business practices across all operations. This commitment to a safe and healthy work environment included implementing additional safeguards and policies to protect employees while ensuring the fulfilment of customer needs, as outlined in Principles 3 and 5.

Our dedication to employee well-being is reflected in our proactive approach to training and awareness, fostering a workplace where health and safety are paramount. By continuously investing in our employees' development and well-being, we strive to create an environment that supports both personal and professional growth, ultimately contributing to the overall success of SKF India.

13. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	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	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

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: Business 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.

SKF India recognises the importance of trust and engagement with all stakeholder groups. This collaborative approach supports progress towards business goals while aligning with sustainable development for all. We have adopted corporate sustainability as our core business practice focusing on long-term value creation for stakeholders. SKF India has identified key stakeholders, both internal and external. A systematic engagement process fosters mutual trust and growth. The stakeholder engagement plan incorporates the following steps:

- Aligning business practices with stakeholder needs and expectations
- Identifying key individuals for ongoing dialogue
- Maintaining engagement through dedicated SKF India counterparts
- Utilizing stakeholder interactions to gather valuable feedback for mutual benefit
- Addressing specific stakeholder concerns within a sustainability framework, considering potential implications for SKF's business and stakeholder groups
- List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local Community around plant.	No	Social media	Regular, Need-Based	(i) Environmental and social impacts of SKF India operations
CSR Beneficiaries	Yes	Emails, Feedback Forms, Phone Calls, Physical Visits & Meetings	Monthly	(i) To enhance employability and entrepreneurship skills among youths (skilling) (ii) To support completion of higher education by girl students (scholarships) (iii) To develop analytical skills among school children (STEM education) (iv) To reduce the environmental and health hazards from indiscriminate dumping of domestic waste to pollute natural resources like land, air, ground water etc.
Associate Partners/NGO's	No	Emails, Telecommunication, Team Meetings and Physical Meetings	Monthly	(i) CSR Programmed Need Assessment, Budgeting, Implementation (ii) Monitoring, Evaluations, Impact Assessment, Reporting and Compliances
Union/State Government	No	Email, telecommunication	Yearly	(i) Collaboration for project execution (ii) Policy advocacy and sectoral developments
Employee and unions	No	Meetings, Email and Newsletters	Quarterly	(i) Aligning with business priorities, Employee health and safety, grievances (ii) Employee engagement and training programmers, Employee well-being
Shareholders, investors, and analysts	No	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.	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

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/Half yearly/Quarterly/ others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers, dealers, and distributors	No	Emails, Mass emailers and Websites	Quarterly	(i) Customer Relationship Management, Enhancing customer experience (ii) Understanding market conditions and requirements
Suppliers and vendors	No	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 of Conduct) 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 2024-25			FY 2023-24		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	805	805	100%	743	743	100%
Other than permanent	448	448	100%	459	459	100%
Total Employees	**1253**	**1253**	**100%**	**1202**	**1202**	**100%**
Workers						
Permanent	922	922	100%	958	958	100%
Other than permanent	1219	1219	100%	2184	2184	100%
Total Workers	**2141**	**2141**	**100%**	**3142**	**3142**	**100%**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2024-25					FY 2023-24				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	805	0	0%	805	100%	743	0	0%	743	100%
Male	627	0	0%	627	100%	606	0	0%	606	100%
Female	178	0	0%	178	100%	137	0	0%	137	100%
Other than Permanent	448	0	0%	448	100%	459	0	0%	459	100%
Male	322	0	0%	322	100%	347	0	0%	347	100%
Female	126	0	0%	126	100%	112	0	0%	112	100%
Workers										
Permanent	922	0	0%	922	100%	958	0	0%	958	100%
Male	919	0	0%	919	100%	955	0	0%	955	100%
Female	3	0	0%	3	100%	3	0	0%	3	100%
Other than Permanent	1219	0	0%	1219	100%	2184	0	0%	2184	100%
Male	947	0	0%	947	100%	1980	0	0%	1980	100%
Female	272	0	0%	272	100%	204	0	0%	204	100%

3. Details of renumeration/salary/wages, in the following format:

a. Median renumeration/wages:

	Male		Female	
	Number	Median renumeration/ salary/wages of respective category	Number	Median renumeration/ salary/wages of respective category
Board of Directors (BoD)	4	2,53,23,658	2	20,20,706
Key Managerial Personnel	4	1,38,59,797	0	-
Employees other than BoD and KMP	624	19,94,646	177	14,58,997
Workers	918	7,61,503	3	3,11,775

b. Gross wages paid to females as % of total wages paid by the entity, in the following format:

	FY 2024-25	FY 2023-24
Gross wages paid to females as % of total wages	13.93%	*17.0%

*Figures for FY 2023-24 have been restated due to a change in methodology.

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/No)

SKF India's Sustainability team manages disclosures related to human rights due diligence. They also actively engage with suppliers through meetings to raise awareness of human rights issues within their supply chain. SKF endorses both the Global Compact and the Universal Declaration of Human Rights, highlighting its dedication to upholding fundamental human rights principles. Additionally, SKF adheres to the International Labour Organization's (ILO) Declaration concerning multinational companies and works to comply with the OECD Guidelines for Multinational Enterprises. These frameworks serve as guiding principles for SKF in its efforts to mitigate human rights risks and promote responsible business practices across its operations. Employees are empowered to raise concerns regarding human rights through various established channels, as detailed in Section A, Principle 3 of this report.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

SKF India offers multiple channels for employees to raise grievances related to discrimination. Employees can approach the HR Manager, Factory Manager, or Director HR individually or through the union. The Company's responsible sourcing team proactively mitigates social risks within the supply chain through CoC audits, supplier sustainability assessments, identifying issues such as missing employment contracts, gender-based wage disparities, unpaid overtime wages, and withheld employee benefits like leave pay.

SKF India is committed to fostering a value chain that respects human rights across all employee categories, including direct, indirect, payroll, and contractual workers.

SKF India requires its suppliers to uphold ethical standards as outlined in the Supplier Code of Conduct. This code addresses critical aspects such as child labour, forced labour, discrimination, disciplinary practices, working hours, legal compensation, and worker health and safety practices.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25			FY 2023-24		
	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	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25	FY 2023-24
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/workers	0	0
Complaints on POSH upheld	0	2

8. Mechanisms to prevent adverse consequences to the complaint in discrimination and harassment cases.

SKF India cultivates a workplace culture grounded in fairness and equal opportunity, with a strong emphasis on promoting gender parity. We encourage employees at all levels to report any grievances or potential social risks, including breaches of the code of conduct or unethical behaviour. SKF India prioritizes whistleblower protection and maintains a zero-tolerance policy against retaliation or harassment of individuals who report concerns.

To facilitate reporting, multiple channels are available, including email access and anonymous reporting mechanisms. Reported concerns are escalated to senior executives, including the audit committee, for preliminary investigations. Appropriate actions are taken in accordance with the grievance resolution process guidelines.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes.

SKF India recognises our responsibility to respect human rights. This commitment translates into a safe and healthy work environment, free from discrimination, and promotes diversity across the organization. We have integrated human rights clauses into its business agreements and contracts. Signing of CoC is a prerequisite for all the contracts which takes care of the human rights issues. This collaborative approach enables active efforts to combat child and forced labour, as well as all forms of harassment.

10. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	100%

11. Provide details of any corrective actions taken or underway to address significant risks/concerning 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:

Parameter	Unit	FY 25	FY 24
From renewable sources			
Total electricity consumption (A)	GJ	159358	109008
Total fuel consumption (B)	GJ		0
Energy consumption through other sources (C)			0
Total energy consumed from renewable sources (A+B+C)	**GJ**	**159358**	**109008**
From non-renewable sources			
Total electricity consumption (D)	GJ	98844	134964
Total fuel consumption (E)	GJ	10410	9684
Energy consumption through other sources (F)	GJ	0	0
Total energy consumed from non-renewable sources (D+E+F)	**GJ**	**109255**	**144648**
Total energy consumed (A+B+C+D+E+F)	**GJ**	**268613**	**253656**
Energy intensity per rupee of turnover (Total energy consumption/turnover in rupees)	GJ/Mn INR	5.46	5.55
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	GJ/Mn INR	110.29	116.33
Energy intensity in terms of physical output (per thousand bearings)	GJ/1000 bearings	1.3	1.60
Energy intensity (optional)- the relevant metric may be selected by the entity		-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2023 by World Bank for India which is 20.20

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.: No

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 the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

   Not Applicable

3. **Provide details of the following disclosures related to water, in the following format:**

Parameter	FY 2024-25	FY 2023-24
Water withdrawal by source (in kilolitres)		
(i) Surface Water	0	0
(ii) Ground Water	18782	9535
(iii) Third Party Water	190376	267805
(iv) Seawater/desalinated water	0	0
(v) Others		0
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	**209158**	**277340**
Total volume of water consumption (in kilolitres)	209158	277340
Water intensity per rupee of turnover (Total Water consumption/ Revenue from operations)	4.25	6.07
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/Revenue from operations adjusted for PPP)	85.88	127.22
Water intensity in terms of physical output (per 1000 bearings)	0.98	1.75
Water intensity (optional) – the relevant metric may be selected by the entity	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2023 by World Bank for India which is 20.20

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.: No

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-25	FY 2023-24
Water discharge by destination and level of treatment (in kilolitres)		
i) To surface water	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
ii) To Groundwater	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
iii) To Seawater	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
iv) Sent to third-parties	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
v) Others	NA	NA
- No treatment	NA	NA
- With treatment-please specify level of treatment	NA	NA
Total water discharge (in kilolitres)	**NA**	**NA**

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: NO

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, SKF has implemented a mechanism for Zero Liquid Discharge (ZLD) as part of our commitment to prioritising environmental sustainability. Zero Liquid Discharge (ZLD) is a water treatment process aimed at eliminating all liquid waste from a system. Its primary objective is to economically minimize wastewater and produce reusable clean water. At all of our units, we have installed Effluent Treatment Plants (ETPs) and Sewage Treatment Plants (STPs) to treat wastewater effectively. The treated water from these plants is then repurposed for gardening purposes.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25	FY 2023-24
NOx	Metric tonnes	0.48	0.50*
Sox	Metric tonnes	0.10	0.13
Particulate matter (PM)	Metric tonnes	7.03	7.99*
Persistent organic compounds (POP)	Metric tonnes	Nil	NIL
Volatile organic compounds (VOC)	Metric tonnes	Nil	NIL
Hazardous air pollutants (HAP)	Metric tonnes	Nil	NIL
Others-please specify	NA	NA	NA

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.: No

*Figures for FY 2023-24 have been restated due to change in methodology.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25	FY 2023-24
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	667	2176
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	19950	26805
Total Scope 1 and Scope 2 emission intensity er rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	tCO2/Rupee of turnover	0.42	0.63
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)	tCO2/Rupee of turnover adjusted to PPP	8.46	13.20
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO2/1000 bearings	0.097	0.18
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2023 by World Bank for India which is 20.20

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.: No

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

We are committed to achieving Net Zero emissions for our manufacturing sites by 2030. To reach this ambitious goal, we have implemented several initiatives aimed at transitioning from thermal energy sources to renewable energy. Key among these initiatives is our adoption of Power Purchase Agreements (PPA), which enable us to purchase renewable energy from off-site sources. We are also working on several energy efficiency projects like compressors, heat treatment, central utility systems & grinding operations efficiency improvement. These strategic measures are critical in reducing our carbon footprint and supporting global sustainability efforts

Share of Renewable Energy by 31st March, 2025:

Year	FY 2024-25
Pune	52%
Bangalore	98%
Haridwar	22%

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25	FY 2023-24
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	84.9	74.03
E-waste **(B)**	10.1	5.52
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	0	0
Battery waste **(E)**	0	0
Radioactive waste **(F)**	0	0
Other Hazardous waste. Please specify, if any. **(G)**	3051	3562.43
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2004	2024.70
Total (A+B + C + D + E + F + G + H)	**5150.1**	**5666.68**
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)	0.10	0.12
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated/Revenue from operations adjusted for PPP)	2.11	2.51
Waste intensity in terms of physical output (per 1000 bearings)	0.024	0.035
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)		
Category of waste		
i) Recycled	3054	3442.34
ii) Re-used		0
iii) Other recovery operations		0
Total	**3054**	**3442.34**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
i) Inceration	1853	1918.98
ii) Landfilling	243	305.35
iii) Other disposal operations		0
Total	**2096**	**2,224.33**

*The revenue from operations has been adjusted for PPP based on the latest PPP conversion factor published for the year 2023 by World Bank for India which is 20.20

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.

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.

a. We are deeply committed to waste management and sustainability, beginning with rigorous waste segregation at the source to maximize diversion from landfills. For non-hazardous waste, we ensure 100% recycling through partnerships with authorized recyclers, guaranteeing that these materials are reprocessed and reintroduced into the supply chain. In the case of hazardous waste, we strictly adhere to all government regulations and guidelines. Our approach prioritises diverting as much of this waste as possible from landfills by either recycling or repurposing it through waste-to-energy initiatives. These efforts demonstrate our dedication to minimising environmental impact and promoting a circular economy.

b. Our commitment to sustainability extends beyond managing waste generated within our campus to actively recovering waste from the broader environment that results from our business activities. Last year, we successfully collected and recycled over 750 metric tons of plastic waste associated with our product packaging. This significant effort underscores our dedication to environmental stewardship and our proactive approach to addressing plastic pollution. By recovering and recycling post-consumer plastic waste, we not only mitigate the environmental impact of our products but also contribute to a cleaner and more sustainable planet.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

SKF does not have any operations in ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not Applicable

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). If not, provide details of all such non-compliances, in the following format:

Yes, SKF is compliant with Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environmental protection act and rules.

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.**

   13

   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.**

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/National)
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

S. No.	Name of the trade and industry chambers/associations	Reach of trade and industry chambers/ associations (State/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
11	International Chamber of Commerce	National

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.

Not Applicable

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

Not Applicable

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not Applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

At SKF, we have implemented several ways for the community to voice and resolve their grievances. Beneficiaries can easily submit their concerns by sending an email to our dedicated address, socialconnect@skf.com. In addition, we have placed feedback and suggestion boxes at various offices, schools, and centers to ensure an accessible and convenient way for individuals to share their grievances.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2024-25	FY 2023-24
Directly sourced from MSMEs/small producers	43%	40.94%
Directly from within India	86.59%	84.56%

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

Location	FY 2024-25	FY 2023-24
Rural		0
Semi-urban	0.2%	0
Urban	3.8%	0.25%
Metropolitan	96%	99.75%

(Place to be categorised as per RBI Classification System-rural/semi-urban/urban/metropolitan)

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Essential indicator

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

   SKF India is dedicated to actively incorporating customer feedback to improve our products and services continuously. We have developed a robust system for gathering customer complaints concerning Technical issues, Sales, and Delivery. Our customer care team and user-friendly website provide convenient channels for customers to share their concerns. We are committed to ensuring that all customer complaints and inquiries are addressed promptly, as we believe this is essential for fostering strong relationships and driving our 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%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. **Number of consumer complaints in respect of the following:**

	FY 2024-25		Remarks	FY 2023-24		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	NIL		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.	NIL		
Advertising						
Cyber-security						
Delivery of essential services						
Restrictive Trade Practices						
Unfair Trade Practices						
Other						

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/No) If available, provide a web-link of the policy.**

   The increasing prevalence of information security threats, heightened customer awareness, and evolving regulatory requirements for data protection have led SKF India to prioritise robust due diligence practices aimed at preventing customer data loss.

   SKF India employs a comprehensive Risk Management Policy that assesses and identifies potential risks across various areas, including financial, operational, sectoral, sustainability, information security, cyber security, and any other emerging threats. The Risk Management Committee actively identifies additional potential risks. Furthermore, Risk and Security Assessments connected to integrated security architecture facilitate the management of cyber risks. These assessments are also extended to suppliers and partners.

   To mitigate information security, cyber security, and data privacy risks, SKF India is dedicated to the ongoing implementation of its Information Security Program. This program encompasses a set of controls outlined in SKF's Information Security Management System (ISMS). In 2023, the information security function was merged with Group Infrastructure & Security to enhance the effective implementation of these controls. We have established security platforms for monitoring workplace security, on-premise/cloud server environments, network security, and identity management within SKF's ecosystem. This includes event and alert monitoring, data collection for the asset management repository, and enabling security resolution across SKF environments. The program team has implemented a Security Information and Event Management (SIEM) system and a Security Incident Response for SKF to cover the entire organisation's security needs.

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:**

      0

   b. **Percentage of data breaches involving personally identifiable information of customers:**

      Nil

   c. **Impact, if any, of the data breaches:**

      Nil

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, 2025 and that to the best of their knowledge and belief and we state that:

 i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

 ii. 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 their knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2025 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 2025, 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

Mukund Vasudevan
Managing Director

DIN: 05146681
Date: 15th May, 2025
Place: Gothenburg, Sweden

Ashish Saraf
Chief Financial Officer

Date: 15th May, 2025
Place: Bangalore

NOTICE OF 64TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Sixty-Fourth ("64th") Annual General Meeting ("AGM")** of the Members of SKF India Limited ("the Company") will be held on **Wednesday , 6th August, 2025, at 2.00 p.m. 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, 2025 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, 2025 together with the Report of the Auditors thereon.

2. To approve and declare final dividend of Rs 14.5/- per equity share having face value of Rs 10/- each fully paid up for the financial year ended 31st March, 2025.

3. To appoint a Director in place of Mr. Karl Robin Joakim Landholm **(DIN: 09651911)**, who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

4. **To Approve Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, SKF Group Company.**

    To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

    "RESOLVED THAT pursuant to the provisions of Section 188 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, Schweinfurt, Germany ("SKF Germany")**, Fellow Subsidiary and a 'Related Party' as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI LODR, 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 up to **MINR 8,834.1** ("Related Party Transactions") as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the SKF Germany, for FY 2025-26 and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier such that the maximum value of the Material Related Party Transactions with SKF Germany, in aggregate, does not exceed **MINR 8,834.1** provided that the said transaction(s) / contract(s) / arrangement(s) / agreement(s) shall be carried out in the ordinary course of business and at an arm's length basis during the aforesaid period and upon such terms and conditions as may be mutually agreed between the Company and SKF Germany.

    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 authorised 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."

5. **To Approve Material Related Party Transactions with SKF Asia Pacific Pte Ltd, 20 Toh Guan Road, Singapore, SKF Group Company.**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 188 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 Asia Pacific Pte Ltd, 20 Toh Guan Road,** Singapore, **("SKF Asia Pacific")** Fellow Subsidiary and a 'Related Party' as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI LODR, in the nature of related to purchase of raw material, components, spares and finished goods, technical and service income and sale of goods and services and any other business transactions on continuous basis up to **MINR 5,149.5** ("Related Party Transactions") as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the SKF Asia Pacific for FY 2025-26 and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier such that the maximum value of the Material Related Party Transactions with SKF Asia Pacific in aggregate, does not exceed **MINR 5,149.5** provided that the said transaction(s) / contract(s) / arrangement(s) / agreement(s) shall be carried out in the ordinary course of business and at an arm's length basis during the aforesaid period and upon such terms and conditions as may be mutually agreed between the Company and SKF Asia Pacific.

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 authorised by the Board) be and is hereby authorised by the members of the Company to do all such acts and deeds to finalise 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 Approve Material Related Party Transactions with SKF Engineering and Lubrication India Private Limited, (Fellow Subsidiary).**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 ("the Act") 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 Requirements) Regulations, 2015 ("SEBI LODR"), as amended till date, including any statutory modifications or re-enactments thereof, 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 & Board of Directors, approval of the Members of the Company be and is hereby accorded to Board of Directors of the Company, if required to enter / continue to enter into the Material Related Party Transaction(s) / contract(s) / arrangement(s) / Agreement(s) (whether by way of an individual transaction or transaction taken together or series of transactions or otherwise) with **SKF Engineering and Lubrication India Private Limited ("SELIPL")**, Fellow Subsidiary and a 'Related Party' as defined under Section 2(76) of the Act and Regulation 2(1)(zb) of SEBI LODR, 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 ("Related Party Transactions") on such terms as may be mutually agreed between the Company and the SELIPL, for FY 2025-26 and thereafter up to the date of the next annual general meeting of the Company to be held for FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier such that the maximum value of the Material Related Party Transactions with SELIPL in aggregate, does not exceed **MINR 11,243.5** provided that the said transaction(s) / contract(s) / arrangement(s) / agreement(s) shall be carried out in the ordinary course of business and at an arm's length basis during the aforesaid period.

RESOLVED FURTHER THAT pursuant to the provisions of Section 186 and other applicable provisions, if any applicable, of the Companies Act 2013 read with the rules made thereunder (including any statutory modifications or re-enactments or amendments made thereof), pursuant to the provisions of Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended till date on the basis of the recommendation of the Audit Committee and Board of Directors, the approval of the members of the Company be and is hereby accorded to the Board of Directors to grant / execute / extend / disbursed the loan of **MINR 1,300** (**this loan amount is part of the aforesaid Material Related Party Transaction Limit of MINR 11,243.5**) in one or more tranche(s) to SELIPL for FY 2025-26 for a period of not exceeding 5 (Five) years up to 2029, at an interest rate equivalent to 7 (seven) years Government Security (6.50% GS rate currently) or, FD/Term deposit rate, whichever is higher + 150 bps (to be reviewed every 6 months), and on such terms and conditions as may be mutually agreed between the Company and SELIPL which shall be utilised by SELIPL for its principal business activities only.

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(s) or any officer(s) / executive(s) / representative(s) and / or any other person(s) so authorised by the Board) be and is hereby authorised by the members of the Company to do all such acts, deeds and things (including finalisation of the terms and conditions) as may be considered necessary, expedient or desirable 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 on this effect and 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."

7. **To Consider and Approve the Appointment of M/s J. B. Bhave & Co., Practicing Company Secretary as the Secretarial Auditor of the Company for a Period of Five Years i.e. from the Financial Year 2025-26 to the Financial Year 2029-30.**

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 179 and 204 of the Companies Act, 2013 read with Rule 8 of Companies (Meetings of Board and its Powers) Rules, 2014 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 respectively, and any other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"), as amended till date and on the recommendation of Audit Committee and the Board of Directors, M/s. J. B. Bhave & Co. Practicing Company Secretaries (FRN: S1999MH025400) a peer reviewed firm of Company Secretaries, be and is hereby appointed as the Secretarial Auditors of the Company for a period of 5 (five) financial years i.e. from Financial Year 2025-

26 to Financial Year 2029-30 for conducting the secretarial audit of the Company on such remuneration and terms of engagement, as may be mutually agreed between the Board / Audit Committee and the Auditors of the Company from time to time."

8. **To Ratify the Remuneration of the Cost Auditor for the Financial Year 2025-26.**

   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 Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand 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 ending 2025-26."

9. **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.**

   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 the Board of Directors, consent of the Members be and is hereby accorded for payment of remuneration equal to a sum of Rs. 36,87,362/- (Thirty Six Lakhs Eighty Seven Thousand Three Hundred Sixty Two Only) to Mr. Gopal Subramanyam , Non-Executive, Independent Director (DIN: 06684319) in such manner and in all respects being an amount exceeding fifty percent of the total annual remuneration payable to all Non-Executive Directors of the Company for FY 2024-25, in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees.

   RESOLVED FURTHER THAT Mr. Mukund Vasudevan, 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
SKF India Limited
Ranjan Kumar
Company Secretary & Compliance Officer
Membership no.: A16192

Registered Office:
Chinchwad, Pune 411033, Maharashtra, India
CIN No.: L29130PN1961PLC213113
E-mail: investorIndia@SKF.com
Website: https://www.skf.com/in/investors
Telephone No.: 020- 66112500
Date: 15th May, 2025

Notes

1. The Ministry of Corporate Affairs ("MCA") vide its General Circular no. 14/2020 dated 8th April, 2020, General Circular no.17/2020 dated 13th April, 2020 and General Circular no. 20/2020 dated 5th May, 2020 , General Circular no. 02/2021 dated 13th January, 2021, General Circular No. 19/2021 dated 8th December, 2021, Circular No. 21/2021 dated 14th December, 2021, General Circular no 2/2022 dated 5th May, 2022, and read with General Circular No 10/2022 dated 28th December, 2022, 09/2024 dated 19th September 2024, 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 during the year 2023 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 64th 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 12th May , 2020 read with SEBI circular no. CIRCULAR SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, SEBI/HO/CFD/PoD-2/P/VCIR/2023/4 dated 5th January, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October 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 4th July, 2024) 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 FY 2024-25 will also be available on the Company's website https://www.skf.com/in/investors, 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 Section 102(1) of the Companies Act,2013 ("The Act"), setting out the material facts concerning the Business(s) mentioned in Item nos. 3 to 9 of the Notice is annexed hereto. The relevant details, with respect to Item No. 3 to 9 pursuant to regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") in respect of Directors seeking appointment/ re-appointment at this meeting are also annexed as **Annexure- A.**

4. The 64th 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 authorised 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, 1st 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 dematerialised 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, 4th July, 2025** for the purpose of determining the eligibility of member(s) entitled to receive dividend, if declared at the AGM.

11. The final dividend of Rs. 14.5/- per equity shares of Rs. 10/- each for FY 2024-25, 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, 4th July, 2025** 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, 4th July, 2025.**

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 & 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 FY 2017-18 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/shareholder-information, 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 **26th July, 2025.** 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 3rd November , 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/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 25th January, 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 24th January , 2022, has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, members are advised to dematerialise 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 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. 1:45 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 64th 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 8th April, 2020, 13th April , 2020 and 5th May , 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 authorised 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 **Wednesday, 30th July, 2025**.

(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. Wednesday, 30th July, 2025** 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: 2nd August, 2025 (Saturday) at 9:00 a.m. (IST)

(b) End of remote e-voting : 5th August, 2025 (Tuesday) at 5 : 00 p.m. (IST)

(ix) During this period, Members holding shares either in physical form or in dematerialised 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.

(x) 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

(xi) The Board of Directors of the Company has appointed Mr. Jayavant B Bhave (Membership FCS 4266 / CP 3068) of M /s J. B. Bhave and Co, Practicing Company Secretaries, as the Scrutiniser to scrutinise the voting process electronically or otherwise for remote e-Voting and e-Voting at the AGM in a fair and transparent manner.

(xii) The Scrutiniser 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 Scrutiniser'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 authorised by him in writing shall forthwith on receipt of the consolidated Scrutiniser's Report, declare the Results of the voting. The results declared along with the Scrutiniser's Report shall be placed on the Company's website https://www.skf.com/in/investors 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.

(xiii) 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

(xiv) 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.

(xv) 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.

(xvi) 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.

(xvii) 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 **Wednesday, 30th July 2025**. 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.

(xviii) 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 (Wednesday, 30th July 2025) 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.

(xix) 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).

(xx) 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 Saturday, 2nd August, 2025 at 9:00 A.M. and ends on Tuesday, 5th August, 2025 at 5:00 P.M. 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. Wednesday, 30th July, 2025 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, Wednesday 30th July, 2025.

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 9th December , 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 to access e-Voting facility.

NOTICE OF 64TH ANNUAL GENERAL MEETING (Contd)

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 e-voting is in progress as per the information provided by Company. On clicking the e-voting 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 are 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 an 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, users 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 e-services i.e. IDEAS, you can log-in at ***https://eservices.nsdl.com/*** *with your existing IDEAS login. Once you log-in to NSDL e-services 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 the 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.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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.

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 authorised signatory(ies) who are authorized to vote, to the Scrutiniser 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.
3. 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 Mr. 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 **investorIndia@SKF.com**
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 shareholder 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.

4. In terms of SEBI circular dated 9th December , 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 the 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. Members will be provided with a facility to attend the 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 the 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.3

To appoint a Director in place of Mr. Karl Robin Joakim Landholm (DIN: 09651911) 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. Karl Robin Joakim Landholm (DIN: 09651911) as Additional Director of the Company with effect from 28th June, 2022 and the Members had approved his appointment as a Director of the Company, at 61st Annual general meeting held on

27th July, 2022. Mr. Karl Robin Joakim Landholm, who holds the office for the longest period, is liable to retire by rotation at the ensuing AGM. Accordingly, the Board places the resolution as provided in Item No. 3 of the Notice, before the members to be passed as Ordinary Resolution, details of which are provided in the explanatory statement of the resolution. A brief profile and other information of Mr. Karl Robin Joakim Landholm (DIN: 09651911), as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2, is provided in **Annexure - A** to this Notice. Mr. Karl Robin Joakim Landholm 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. Karl Robin Joakim Landholm 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**.

Item No. 4

To Approve Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany , SKF Group Company.

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF GmbH, Schweinfurt, Germany ("SKF Germany") 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 provisions of Section 188 (1) of the Act, read with rules made thereunder and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (amended from time to time), the 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 INR 1000 Crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

It is proposed to carry out various transactions during the Financial Year 2025-26 including but not limited to the Contract with SKF Germany for 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 a continuous basis for business profitability with SKF Germany in aggregate does not exceed **MINR 8,834.1.**

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

All the transactions carried out by SKF India Limited with SKF Germany are in the ordinary course of business and at arm's length basis and hence it is recommended for approval by the members for FY 2025-26 and thereafter up to the date of the next annual general meeting of the Company to be held for the FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier.

Pursuant to Section 188 of the Companies Act 2013 including Rules made thereunder and SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024, read with SEBI notified Industry Standards on Related Party Transactions, as amended from time to time, particulars of the transactions with SKF Germany 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 - 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 LODR.

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, 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, at its meeting held on 15th May, 2025, 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. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 an ordinary resolution 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 Asia Pacific Pte Ltd, 20 Toh Guan Road, Singapore, SKF Group Company.

The Company is a subsidiary of Aktiebolaget SKF (AB SKF"). SKF Asia Pacific Pte Ltd, 20 Toh Guan Road, Singapore (SKF Asia Pacific) 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 provisions of Section 188 (1) of the Act, read with rules made thereunder and Regulation 23(4) of SEBI LODR (amended from time to time), the 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 INR 1000 Crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

It is proposed to carry out various transactions during the Financial Year 2025-26 including but not limited to the Contract with SKF Asia Pacific for Purchase of Raw Material, Components, Spares and Finished Goods, Technical and Service Income and Sale of Goods and services and any other business transactions on a continuous basis for business profitability with SKF Asia Pacific in aggregate does not exceed **MINR 5,149.5.**

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

All the transactions carried out by the Company with SKF Asia Pacific are in the ordinary course of business and at arm's length basis and hence it is recommended for approval by the members for FY 2025-26 and thereafter up to the date of the next annual general meeting of the Company to be held for the FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier.

Pursuant to Section 188 of the Act including Rules made thereunder and SEBI circular no. SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024, read with SEBI notified Industry Standards on Related Party Transactions, as amended from time to time, particulars of the transactions with SKF Asia Pacific 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) and 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 LODR.

Members may note that 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, 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 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, at its meeting held on 15th May, 2025, 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.5 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. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 an ordinary resolution set forth in Item no. 5 for the approval of the Members of the Company.

Item No. 6

To Approve Material Related Party Transactions with SKF Engineering and Lubrication India Private Limited, (Fellow Subsidiary)

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Engineering and Lubrication India Private Limited ("SELIPL") 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 provisions of Section 188 (1) of the Act, read with rules made thereunder and Regulation 23 of SEBI LODR, the Material Related Party Transactions requires prior approval of the Shareholders by Ordinary Resolution where transactions proposed to be entered fall under the threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during the financial year, exceeds INR 1000 Crores or 10% of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity, whichever is lower.

The Members are apprised that in the 62nd AGM, the Company had obtained shareholders' approval for granting loans up to MINR 1200 for FY 2023-24 Further, in 63rd Annual General Meeting the company has obtained shareholder's approval for granting loans up to MINR 1300 for FY 2024-25 in one or more trenches.

In continuation of above mentioned transactions, to carry out various transactions during the Financial Year 2025-26 including but not limited to the 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 with SELIPL in aggregate, does not exceed **MINR 11,243.5 (including Loan of MINR 1300 for FY 2025-26)** during the aforesaid period. This makes it a material related party transaction.

All the transactions carried out by SKF India Limited with SELIPL are in the ordinary course of business and at arm's length basis and hence it is recommended for approval by the Members for FY 2025-26 and thereafter up to the date of the next Annual General Meeting of the Company to be held for the FY 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier, such that the maximum value of the related party transactions with SELIPL, in aggregate, does not exceed the 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 Section 188 of the Act including Rules made thereunder and SEBI Master Circular bearing reference no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November 2024, read with SEBI notified Industry Standards on Related Party Transactions, as amended from time to time, particulars of the transactions with SELIPL 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 - D** 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. 6 of the Notice for the approval of the Members in terms of Regulations 23 of SEBI LODR.

Members may note that the Related Party Transaction as per **Annexure - D,** 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, 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, at its meeting held on 15th May, 2025, 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. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 an ordinary resolution set forth in Item no. 6 for the approval of the members of the Company.

Item No. 7

To Consider and Approve the Appointment of M/s J. B. Bhave & Co., Practicing Company Secretary as the Secretarial Auditor of the Company for a Period of Five Years i.e. from the Financial Year 2025-26 to the Financial Year 2029-30.

Pursuant to the amendment notified in Regulation 24A by way of SEBI (LODR) (Third Amendment) Regulations, 2024, with effect from 1st April, 2025, your Company is required to appoint, re-appoint or continue with the appointment of the Secretarial Auditor, who is a "Peer Reviewed Company Secretary", meaning that a Company Secretary in practice, who is either practicing individually or as a sole proprietor or as a partner of a Peer Reviewed Practice Unit, holding a valid certificate of peer review issued by the Institute of Company Secretaries of India.

In accordance with the above Regulation, and on the recommendation of the Audit Committee, the Board of the Company at its meeting held on 15th May, 2025, proposed to appoint Mr. Jayavant B. Bhave, Practicing Company Secretary (FCS 4266; CP No. 3068), who is a sole proprietor of J. B. Bhave & Co., Company Secretaries, Pune, and a Peer Reviewed Company Secretary, as the Secretarial Auditor of the Company, for performing audit of the Company's secretarial records for the financial year beginning 1st April, 2025, for a period of one term of five consecutive years, that will conclude on 31st March, 2030, at such remuneration plus applicable taxes thereon and such increase in audit fees till the conclusion of their term, plus reimbursement of actual out of pocket and travelling expenses, as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Secretarial Auditors. The practicing Company Secretary holds a valid certificate of peer review issued by the Institute of Company Secretaries of India and that he has not incurred any of the disqualifications as specified under the Companies Act, 2013 and by the SEBI. The Company has received a written confirmation from Mr. Jayavant B. Bhave, Company Secretary, to the effect that his appointment as the Secretarial Auditors of the Company, if made, will be as per the requirements laid down under the Companies Act 2013 and SEBI LODR. The detailed Profile of Secretarial Auditors is per **Annexure - E**.

The SEBI (LODR) (Third Amendment) Regulations, 224, require that the appointment of the Secretarial Auditor should be subject to the approval of the shareholders in its Annual General Meeting. Accordingly, the Board recommends the Resolution set out in Item No. 7 for the approval by the Members of the Company as an Ordinary Resolution.

None of the Directors, Managers or any key managerial personnel or any of their relatives, are concerned or interested, whether financially or otherwise, in this Resolution.

Item No. 8

To Ratify the Remuneration of the Cost Auditor for the Financial Year 2025-26.

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 2025-26 at its Board meeting held on 15th May, 2025 at a remuneration Rs. 4,50,000/- (Four Lakh and Fifty Thousand Only), plus out of pocket expenses as actual, if any and applicable taxes. The detailed profile of the Cost Auditor is as per **Annexure - E**.

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 approval of remuneration payable to the Cost Auditors for the FY 2025-26.

The Board accordingly recommends the Ordinary Resolution as set out at Item No. 8 of this Notice for your approval.

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. 9

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 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 / thinking, leadership, regulatory laws knowledge, Finance / Accounting Acumen 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 (i.e. Rs. 36,87,362/-) 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 2024-25, 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 FY 2024-25 in excess of fifty per cent of the total annual remuneration payable to all Non-Executive Directors of the Company and accordingly recommends passing of resolution at item No. 9 for approval of the shareholders as a special resolution.

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

Ranjan Kumar
Company Secretary & Compliance Officer
Membership no.: A1619

Registered Office:
Chinchwad, Pune 411033, Maharashtra, India

CIN No.: L29130PN1961PLC213113
E-mail: investorIndia@SKF.com
Website: https://www.skf.com/in/investors
Telephone No.: 020 66112500
Date: 15th May, 2025

ANNEXURE-A

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 64th Annual General Meeting

Name of the Director	Mr. Karl Robin Joakim Landholm
Director Identification Number	09651911
Date of Birth (age)	10th June, 1969 (56 years old)
Nationality	Swedish
Date of first Appointment on Board of the Company	28th June, 2022
Qualification	Swedish Navy Staff College graduate with a master's degree in economics and business administration from Stockholm School of Economics.
Experience	Overall Experience: Currently, Joakim Landholm is Senior Vice President - Group Operations and Chief Sustainability Officer at SKF, supporting the business across four global geographical regions and two global business areas. He oversees manufacturing development, supply chain, quality, EHS, sustainability, IT and Group strategy. He has previously served as CEO for Hector Rail (a leading European rail freight provider), as Chief Commercial Officer Scandinavian Airlines and in leadership positions at RSA and GE Capital. Throughout his career, he has worked extensively on driving large-scale and transformative change in multiple industries, including airlines, logistics, healthcare, financial services, and automotive.
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 2024-25	5
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 to the Corporate Governance report
Chairmanship / Membership of Audit and Stakeholders Relationship Committee of SKF India Limited	Nil
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	None

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

Approval of Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, SKF Group Company.

Pursuant to Section 188 of Companies Act, 2013 and rules thereunder read with SEBI notified Industry Standards on Related Party Transactions and SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024 ("SEBI Circulars"), as amended till date, particulars of the transactions with SKF GmbH, Schweinfurt presented before the Audit Committee (Only Independent Directors) and Board of Directors for its approval (which has been duly approved and recommended to the Shareholders for approval);

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
A.	**Details of the related party and transactions with the related party**				
A(1).	**Basic details of the related party**				
1.	Name of the related party	SKF GmbH			
2.	Country of incorporation of the related party	Schweinfurt, Germany			
3.	Nature of business of the related party	Primarily involved in the design, development, and manufacturing of bearings, seals, and lubrication systems.			
A(2).	**Relationship and ownership of the related party**				
4.	Relationship between the listed entity / subsidiary (in case of transaction involving the subsidiary) and the related party.	SKF GmbH is the subsidiary of company AB SKF (Promoter company of SKF India Limited)			
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity / subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	SKF India Limited does not have any shareholding or contribution % or profit & loss sharing % of the listed entity / subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.			
6.	Shareholding of the related party, whether direct or indirect, in the listed entity / subsidiary (in case of transaction involving the subsidiary). Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered.	SKF GmbH do not hold any shareholding in SKF India Limited.			
A(3).	**Financial performance of the related party**				
	Particulars	**Amount in (MEUR) FY 2024**	**Amount in (MEUR) FY 2023**	**Amount in (MEUR) FY 2022**	
7.	Standalone turnover of the related party for each of the last three Financial Years:	1,483.5	1,709.1	1,689.1	
8.	Standalone net worth of the related party for each of the last three Financial Years:	858.9	809.0	745.4	
9.	Standalone net profits of the related party for each of the last three financial years:	32.9	66.8	61.1	

ANNEXURE B (Contd.)

<table>
<tr><th>Sr. No</th><th colspan="2">Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td colspan="7">A(4). Details of previous transactions with the related party</td></tr>
<tr><td>10.</td><td colspan="2">Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three Financial Years.
Note: Details need to be disclosed separately for the listed entity and its subsidiary.</td><td>Amount in (MINR) FY 2023-24</td><td>Amount in (MINR) FY 2022-23</td><td>Amount in (MINR) FY 2021-22</td><td></td></tr>
<tr><td></td><td>Sr. No.</td><td>Category</td><td></td><td></td><td></td><td></td></tr>
<tr><td></td><td>1)</td><td>Sale & Purchase of Goods, Receiving & Rendering of Services and Other Transactions</td><td>4,234.1</td><td>4,242.8</td><td>4,211.5</td><td></td></tr>
<tr><td></td><td colspan="2">Total</td><td>4,234.1</td><td>4,242.8</td><td>4,211.5</td><td></td></tr>
<tr><td>11.</td><td colspan="2">Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).</td><td colspan="3">3,882.1 (MINR)
(till Q3 FY 2024-25)</td><td></td></tr>
<tr><td>12.</td><td colspan="2">Whether prior approval of the Audit Committee has been taken for the above-mentioned transactions?</td><td colspan="3">Yes</td><td></td></tr>
<tr><td>13.</td><td colspan="2">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 three financial years.</td><td colspan="3">No</td><td></td></tr>
<tr><td colspan="7">A(5). Amount of the proposed transactions (All types of transactions taken together)</td></tr>
<tr><td>14.</td><td colspan="2">Total amount of all the proposed transactions being placed for approval in the current meeting.</td><td colspan="3">8,834.1 (MINR)</td><td></td></tr>
<tr><td>15.</td><td colspan="2">Whether the proposed transactions taken together with the transactions undertaken with the related party during the current Financial Year is material RPT in terms of Para 1(1) of these Standards?</td><td colspan="3">Yes</td><td></td></tr>
<tr><td>16.</td><td colspan="2">Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding Financial Year.</td><td colspan="3">19%</td><td></td></tr>
<tr><td>17.</td><td colspan="2">Value of the proposed transactions as a percentage of the 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 colspan="3">19%</td><td></td></tr>
<tr><td>18.</td><td colspan="2">Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding Financial Year.</td><td colspan="3">6%</td><td></td></tr>
</table>

ANNEXURE B (Contd.)

<table>
<tr><th>Sr. No</th><th colspan="2">Particulars of the information</th><th>Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td colspan="5"><u>B. Details for specific transactions</u></td></tr>
<tr><td colspan="5"><u>B(1). Basic details of the proposed transaction</u></td></tr>
<tr><td colspan="5">(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)</td></tr>
<tr><td>1.</td><td colspan="2">Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing, etc.)</td><td>Transactions related to Contract for 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.</td><td></td></tr>
<tr><td rowspan="4">2.</td><td colspan="3">Details of the proposed transaction</td><td rowspan="4"></td></tr>
<tr><td>Sr. No.</td><td>Category</td><td>Amount (MINR)</td></tr>
<tr><td>1</td><td>Sale and Purchase of Goods, Receiving and Rendering of Services and Other Transactions</td><td>8,834.1</td></tr>
<tr><td colspan="2">Total</td><td>8,834.1</td></tr>
<tr><td>3.</td><td colspan="2">Tenure of the proposed transaction (tenure in number of years or months to be specified)</td><td>1 year and as per period mentioned in the resolution no. 4</td><td></td></tr>
<tr><td>4.</td><td colspan="2">Indicative date / timeline for undertaking the transaction</td><td>For the period 1st April, 2025 to 31st March, 2026 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier.</td><td></td></tr>
<tr><td>5.</td><td colspan="2">Whether omnibus approval is being sought?</td><td>Yes</td><td></td></tr>
<tr><td>6.</td><td colspan="2">Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract.

If omnibus approval is being sought, the maximum value of a single transaction during a Financial Year.</td><td>Aggregate value of transactions for FY 2025-26 is MINR 8,834.1. The details of the transactions are provided above in the table.</td><td></td></tr>
<tr><td>7.</td><td colspan="2">Whether the RPTs proposed to be entered into are:

(i) not prejudicial to the interest of public shareholders, and

(ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party</td><td>Yes</td><td></td></tr>
</table>

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
8.	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.	SKF specializes in the manufacturing of various types of bearings, sourcing raw materials from third-party suppliers as part of its procurement strategy. The design and engineering of these bearings are developed at the group level, ensuring adherence to proprietary specifications and industry standards. Given the confidential nature of these designs, certain manufacturing processes are entrusted to other entities within the group. All transactions related to these arrangements are conducted at arm's length pricing, ensuring compliance with transfer pricing regulations and maintaining transparency in financial and operational dealings.	
9.	Details of the promoter(s) / director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. Explanation: Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.	SKF GmbH is a subsidiary of AB SKF which is a Promoter company of SKF India Limited. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives except Mr. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 in the explanatory statement in item no. 4	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 4	
10.	Details of shareholding (more than 2%) of the director(s) / key managerial personnel / partner(s) of the related party, directly or indirectly, in the listed entity. Explanation: Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.	Not applicable - as none of the Directors / KMPs hold shares in the Company.	
	a. Name of the director / KMP / partner	Not applicable	
	b. Shareholding of the director / KMP / partner, whether direct or indirect, in the listed entity	Not applicable	
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable	
12.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
B(2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction			
13.	Number of bidders / suppliers / vendors / traders / distributors / services providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	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.	The Code of Conduct is more than just a policy – it's our foundation for ethical decision making. It helps us maintain legal compliance, safeguard our reputation, and foster a culture of respect and integrity. With this Code of Conduct, we're equipped to navigate complex situations with confidence.
14.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.	Refer above comment	Refer above comment
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Refer above comment	Refer above comment
16.	Where bids were not invited, the facts shall be disclosed along with the justification for the same.	Refer above comment	Refer above comment
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Refer above comment	Refer above comment
B(3). Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary			
18.	Source of funds in connection with the proposed transaction. Explanation: This shall not be applicable to listed banks / NBFCs.	Not applicable	
19.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following: Explanation: This shall not be applicable to listed banks / NBFCs.	Not applicable	
	a. Nature of indebtedness		
	b. Total cost of borrowing		
	c. Tenure		
	d. Other details		
20.	Material covenants of the proposed transaction	Not applicable	

ANNEXURE B (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td>21.</td><td>Interest rate charged on loans / inter-corporate deposits / advances by the listed entity (or its subsidiary, in case of transaction involving the subsidiary) in the last three financial years:
• To any party (other than related party):
• To related party.
Explanations: Comparable rates shall be provided for similar nature of transaction, for example, long term vis-a-vis long term etc.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>22.</td><td>Rate of interest at which the related party is borrowing from its bankers or the rate at which the related party may be able to borrow given its credit rating or credit score and its standing and financial position</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>23.</td><td>Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers or the rate at which the listed entity may be able to borrow given its credit rating or credit score and its standing and financial position</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>24.</td><td>Proposed interest rate to be charged by listed entity or its subsidiary from the related party.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>25.</td><td>Maturity / due date</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>26.</td><td>Repayment schedule & terms</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>27.</td><td>Whether secured or unsecured?</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>28.</td><td>If secured, the nature of security & security coverage ratio</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>29.</td><td>The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>30.</td><td>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td rowspan="2">31.</td><td rowspan="2">Amount of total borrowings (long-term and short-term) of the related party over the last three Financial Years</td><td>FY 2024-2025</td><td>FY 2023-2024</td><td>FY 2022-2023</td><td rowspan="2"></td></tr>
<tr><td colspan="3">Not applicable</td></tr>
<tr><td>32.</td><td>Interest rate paid on the borrowings by the related party from any party in the last three Financial Years.
Explanation: Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.</td><td colspan="3">Not applicable</td><td></td></tr>
</table>

ANNEXURE B (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td rowspan="2">33.</td><td rowspan="2">Default in relation to borrowings, if any, made during the last three financial years, by the related party from the listed entity or any other person.</td><td>FY 2024-2025</td><td>FY 2023-2024</td><td>FY 2022-2023</td><td rowspan="2"></td></tr>
<tr><td colspan="3">Not applicable</td></tr>
<tr><td colspan="6">Additional details relating to advances other than loan given by the listed entity or its Subsidiary</td></tr>
<tr><td>34.</td><td>Advances provided, their break-up and duration.</td><td colspan="2">In the normal course of business there are no advances to be paid to a related party.</td><td>Not applicable</td><td></td></tr>
<tr><td></td><td colspan="4"><table><tr><th>Sr. No.</th><th>Advance given to</th><th>Amount</th><th>Duration of advance given</th></tr><tr><td></td><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td><td></td></tr></table></td><td></td></tr>
<tr><td>35.</td><td>Advance as % of the total loan given during the preceding 12 months</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td colspan="6">B(4).Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary</td></tr>
<tr><td>36.</td><td>Source of funds in connection with the proposed transaction.

Explanation: This shall not be applicable to listed banks / NBFCs.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>37.</td><td>Purpose for which funds shall be utilized by the investee company.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>38.</td><td>Where any financial indebtedness is incurred to make investment, specify the following:

Explanation: This shall not be applicable to listed banks / NBFCs.
a. Nature of indebtedness
b. Total cost of borrowing
c. Tenure
d. Other details</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>39.</td><td>Material covenants of the proposed transaction</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>40.</td><td>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)

Explanation: This shall be applicable in case of investment in debt instruments.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>41.</td><td>Expected annualized returns

Explanation: This shall be applicable in case of investment in debt instruments.</td><td colspan="3">Not applicable</td><td></td></tr>
</table>

ANNEXURE B (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td>42.</td><td>Returns on past investments in the related party over the last three Financial Years</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>43.</td><td>Details of asset-liability mismatch position, if any, post investment
Explanation: This shall be applicable in case of investment in debt instruments.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>44.</td><td>Whether any regulatory approval is required. If yes, whether the same has been obtained.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td colspan="6">B(5).Additional details for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary</td></tr>
<tr><td>45.</td><td>Rationale for giving guarantee, surety, indemnity or comfort letter</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>46.</td><td>Material covenants of the proposed transaction including (i) commission, if any to be received by the listed entity or its subsidiary; (ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>47.</td><td>The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity, or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>48.</td><td>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)), if guarantee, surety, indemnity or comfort letter is given in connection with the borrowing by a related party</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td rowspan="2">49.</td><td rowspan="2">Details of solvency status and going concern status of the related party during the last three Financial Years:</td><td>FY 2024-25</td><td>FY 2023-24</td><td>FY 2022-23</td><td rowspan="2"></td></tr>
<tr><td>There is no going concern issue</td><td>There is no going concern issue</td><td>There is no going concern issue</td></tr>
</table>

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
50.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.	**FY 2024-25**	**FY 2023-24**	**FY 2022-23**	
		Not applicable	Not applicable	Not applicable	
B(6).Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary					
51.	Material covenants of the proposed transactions	Not applicable			
52.	Interest rate (in terms of numerical value or base rate and applicable spread)	Not applicable			
53.	Cost of borrowing (This shall include all costs associated with the borrowing)	Not applicable			
54.	Maturity / due date	Not applicable			
55.	Repayment schedule & terms	Not applicable			
56.	Whether secured or unsecured?	Not applicable			
57.	If secured, the nature of security & security coverage ratio	Not appliacable			
58.	The purpose for which the funds will be utilized by the listed entity / subsidiary	Not applicable			
59.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements Explanation: This shall not be applicable to listed banks.	Not applicable			
	a. Before transaction				
	b. After transaction				
60.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements Explanation: This shall not be applicable to listed banks.	Not applicable			
	a. Before transaction				
	b. After transaction				
B(7).Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate					
61.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Not applicable			
62.	Best bid / quotation received If comparable bids are available, disclose the price and terms offered	Not applicable			

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
63.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Not applicable	
64.	Where bids were not invited, the facts shall be disclosed along with the justification for the same.	Not applicable	
65.	Wherever comparable bids are not available, state what is the basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Not applicable	
66.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate.	Not applicable	
67.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:	Not applicable	

	FY 2024 -25	FY 2023-24	FY 2022-23
Turnover			
Net worth			
Net Profit			
Net Profit Margin			
Operating Cash Flow Margin			
Return on Assets (RoA)			

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
68.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking	Not applicable	
	a. Expected impact on turnover		
	b. Expected impact on net worth		
	c. Expected impact on net profits		
69.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity, or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.	Not applicable	

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
70.	Whether the transaction would result in the issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	Not applicable	
71.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	Not applicable	
72.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	Not applicable	
73.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	Not applicable	
B(8).Additional details for transactions relating to payment of royalty			
74.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three Financial Years	Not applicable	
	FY 2024-25	Nil	
	FY 2023-24	Nil	
	FY 2022-23	Nil	
75.	Purpose for which royalty was paid to the related party during the last three financial years.	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporate management fee or any other fee	Nil	
	d. Any other use (specify)	Nil	
76.	Purpose for which royalty is proposed to be paid to the related party in the current financial year	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporate management fee or any other fee	Nil	
	d. Any other use (specify)	Nil	

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
77.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
	FY 2024-25		
	FY 2023-24		
	FY 2022-23		
78.	Dividend paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
79.	Royalty and dividend paid or proposed to be paid during the current FY Explanation: The dividend proposed to be paid shall mean dividend that has been declared but has not been paid yet.	Not applicable	
80.	Rate at which royalty has increased in the past 5 years, if any, vis-vis rate at which the turnover, profits after tax and dividends have increased during the same period.	Not applicable	
81.	In the case of new technology i.e. first year of technology transfer (to be provided separately for each new technology):	Not applicable	
	a. Expected duration of technology transfer		
	b. Benefits derived from the technology transfer		
82.	In the case of existing technology i.e. technology being imported (to be provided separately for each existing technology):	Not applicable	
	a. Years since technology transfer initiated	In years Not applicable	
	b. Expected duration of technology transfer	In years Not applicable	
	c. Benefits derived from the technology transfer	Not applicable	

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
83.	Details of in-house research & development, if any: a. Total expenses incurred during the preceding financial year b. Benefits derived c. If any in-house R&D undertaken by the listed entity or its subsidiary that will reduce or eliminate the royalty currently paid for any technology or technical know-how. Additionally, the absolute value of R&D expenditure incurred by the listed entity or its subsidiary on such in-house R&D, along with the period required for completing the research to achieve the reduction or elimination of royalty, shall be disclosed to the Audit Committee.	Not applicable	
84.	If royalty is paid to the parent Company, disclose royalty received by the parent company from foreign entities: • Minimum rate of royalty charged along with corresponding absolute amount • Maximum rate of royalty charged along with corresponding absolute Amount Explanation: a) The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty. b) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies. If so, this row shall not be applicable.	Not applicable	
85.	Sunset Clause for Royalty payment	Not applicable	

ANNEXURE B (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
86.	**Peer Comparison:** Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:	Not applicable	

	Listed Entity / Subsidiary	Peer 1	Peer 2	Peer 3
Royalty payment over last 3 years	**Aggregate amount**	**Aggregate Amount**	**Aggregate amount**	**Aggregate amount**
Royalty paid as a % of net profits over the last 3 years	**%**	**%**	**%**	**%**
Annual growth rate of Turnover over last 3 years	**%**	**%**	**%**	**%**

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
87.	Royalty paid or payable for im-ported technology, along with the turnover attributable to such technology.	Not applicable	
88.	Royalty paid or payable for brands or other intangible assets, along with the turnover attributable to their use.	Not applicable	

ANNEXURE-C

Item No. 5

Approval of Material Related Party Transactions with SKF Asia Pacific Pte Ltd, 20 Toh Guan Road, Singapore, SKF Group Company.

Pursuant to Section 188 of Companies Act, 2013 and rules thereunder and read with SEBI notified Industry Standards on Related Party Transactions and SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2024 ("SEBI CIRCULAR"), as amended till date, particulars of the transactions with SKF Asia Pacific Pte Ltd presented before the Audit Committee (Only Independent Directors) and Board of Directors for its approval (which has been duly approved and recommended to the Shareholders for approval);

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
A.	**Details of the related party and transactions with the related party**		
A(1).	**Basic details of the related party**		
1.	Name of the related party	SKF Asia Pacific Pte Ltd	
2.	Country of incorporation of the related Party	20 Toh Guan Road, Singapore	
3.	Nature of business of the related party	Distribution of ball and roller bearings and related industrial products across the Asia-Pacific region. It has evolved as sales-focused entity to a knowledge-driven engineering company, offering industrial aftermarket solutions, including lubrication systems, maintenance products, and condition monitoring services.	
A(2).	**Relationship and ownership of the related party**		
4.	Relationship between the listed entity / subsidiary (in case of transaction involving the subsidiary) and the related party.	SKF Asia Pacific Pte Ltd is the subsidiary of company AB SKF (Promoter company of SKF India Limited)	
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity / subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	SKF India Limited does not have any shareholding or contribution % or profit & loss sharing % of the listed entity / subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	
6.	Shareholding of the related party, whether direct or indirect, in the listed entity / subsidiary (in case of transaction involving the subsidiary). Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered.	SKF Asia Pacific Pte Ltd do not hold any shareholding in SKF India Limited.	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information		Information provided by the management			Comments of the Audit Committee
A(3).	**Financial performance of the related party**					
	Particulars		**Amount in (MSGD) FY 2024**	**Amount in (MSGD) FY 2023**	**Amount in (MSGD) FY 2022**	
7.	Standalone turnover of the related party for each of the last three Financial Years:		314.4	325.7	409.5	
8.	Standalone net worth of the related party for each of the last three Financial Year		87.1	66.4	77.3	
9.	Standalone net profits of the related party for each of the last three Financial Years:		8.7	9.0	8.9	
A(4).	**Details of previous transactions with the related party**					
10.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three Financial Years. **Note:** Details need to be disclosed separately for the listed entity and its subsidiary.		**Amount in (MINR) FY 2023-24**	**Amount in (MINR) FY 2022-23**	**Amount in (MINR) FY 2021-22**	
	Sr. No.	**Category**				
	1)	Sale & Purchase of Goods, Receiving & Rendering of Services and Other Transactions	464.6	242.6	1.4	
	Total		**464.6**	**242.6**	**1.4**	
11.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current financial year (till the date of approval of the Audit Committee / shareholders).		1,982.4 (MINR) (till Q3 FY 2024-25)			
12.	Whether prior approval of the Audit Committee has been taken for the above mentioned transactions?		Yes			
13.	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 three financial years.		No			

ANNEXURE C (Contd.)

Sr. No	Particulars of the information		Information provided by the management	Comments of the Audit Committee
A(5).Amount of the proposed transactions (All types of transactions taken together)				
14.	Total amount of all the proposed transactions being placed for approval in the current meeting.		5,149.5 (MINR)	
15.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year is material RPT in terms of Para 1(1) of these Standards?		Yes	
16.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding Financial Year.		11%	
17.	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)		11%	
18.	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding Financial Year.		26%	
B. Details for specific transactions				
B(1). Basic details of the proposed transaction				
(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)				
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing , etc.)		Transactions related to Purchase of Raw Material, components, spares and Finished Goods, Technical and Service Income and Sale of Goods and services and any other Business Transaction.	
2.	Details of the proposed transaction			
	Sr. No.	**Category**	**Amount (MINR)**	
	1.	Sale and Purchase of Goods, Receiving and Rendering of Services and Other Transactions	5,149.5	
		Total	**5,149.5**	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year and as per the period mentioned in resolution no. 5.	
4.	Indicative date / timeline for undertaking the transaction	For the period 1st April 2025 to 31st March 2026 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier.	
5.	Whether omnibus approval is being sought?	Yes	
6.	Value of the proposed transaction during a financial year. In case approval of the Audit Committee is sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a financial year.	Aggregate value of transactions for FY 2025-26 is MINR 5,149.5. The details of the transactions are provided above in the table.	
7.	Whether the RPTs proposed to be entered into are: (i) not prejudicial to the interest of public shareholders, and (ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party	Yes	
8.	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.	SKF specializes in the manufacturing of various types of bearings, sourcing raw materials from third-party suppliers as part of its procurement strategy. The design and engineering of these bearings are developed at the group level, ensuring adherence to proprietary specifications and industry standards. Given the confidential nature of these designs, certain manufacturing processes are entrusted to other entities within the group. All transactions related to these arrangements are conducted at arm's length pricing, ensuring compliance with transfer pricing regulations and maintaining transparency in financial and operational dealings.	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
9.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. The details shall be provided, where the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. Explanation: Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.	SKF Asia Pacific Pte Ltd is a subsidiary of AB SKF which is a Promoter company of SKF India Limited. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives except Mr. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 in the explanatory statement in item no. 5	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 5	
10.	Details of shareholding (more than 2%) of the director(s) / key managerial personnel / partner(s) of the related party, directly or indirectly, in the listed entity. Explanation: Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.	Not applicable, as none of the Director / KMPs hold shares in the Company.	
	a. Name of the director / KMP/ partner	Not applicable	
	b. Shareholding of the director / KMP/ partner, whether direct or indirect, in the listed entity	Not applicable	
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable	
12.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
B(2). Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction			
13.	Number of bidders / suppliers / vendors / traders / distributors / services providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Given the substantial business alignment between SKF India Limited and SKF Asia Pacific Pte Ltd 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 Asia Pacific Pte Ltd.	The Audit Committee reviewed the rationale presented by Management regarding the quotation received from SKF Asia Pacific Pte Ltd for the specified transaction(s). Following this assessment, the Committee concurred with the justification provided and subsequently approved the transaction(s).
14.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.	Refer above comment	Refer above comment
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Refer above comment	Refer above comment
16.	Where bids were not invited, the facts shall be disclosed along with the justification for the same.	Refer above comment	Refer above comment
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Refer above comment	Refer above comment
B(3). Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary			
18.	Source of funds in connection with the proposed transaction. Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
19.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following: Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
	a. Nature of indebtedness		
	b. Total cost of borrowing		
	c. Tenure		
	d. Other details		

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
20.	Material covenants of the proposed transaction	Not applicable			
21.	Interest rate charged on loans / inter-corporate deposits / advances by the listed entity (or its subsidiary, in case of transaction involving the subsidiary) in the last three Financial Years: • To any party (other than related party): • To related party. **Explanations:** Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.	Not applicable			
22.	Rate of interest at which the related party is borrowing from its bankers or the rate at which the related party may be able to borrow given its credit rating or credit score and its standing and financial position	Not applicable			
23.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers or the rate at which the listed entity may be able to borrow given its credit rating or credit score and its standing and financial position	Not applicable			
24.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	Not applicable			
25	Maturity / due date	Not applicable			
26.	Repayment schedule & terms	Not applicable			
27.	Whether secured or unsecured?	Not applicable			
28.	If secured, the nature of security & security coverage ratio	Not applicable			
29.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Not applicable			
30.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)	Not applicable			
31.	Amount of total borrowings (long-term and short-term) of the related party over the last three financial years	**FY 2024-2025**	**FY 2023-2024**	**FY 2022-2023**	
		Not applicable			

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
32.	Interest rate paid on the borrowings by the related party from any party in the last three Financial Years. Explanation: Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.	Not applicable			
33.	Default in relation to borrowings, if any, made during the last three financial years, by the related party from the listed entity or any other person.	**FY 2024-2025**	**FY 2023-2024**	**FY 2022-2023**	
		Not applicable			
Additional details relating to advances other than loan given by the listed entity or its Subsidiary					
34.	Advances provided, their break-up and duration.	In normal course of business there are no advance to be paid to related party.		Not applicable	

Sr. No.	Advance given to	Amount	Duration of advance given

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
35.	Advance as % of the total loan given during the preceding 12 months	Not applicable	
B(4).Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary			
36.	Source of funds in connection with the proposed transaction. Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
37.	Purpose for which funds shall be utilized by the investee company.	Not applicable	
38.	Where any financial indebtedness is incurred to make investment, specify the following: Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
	a. Nature of indebtedness		
	b. Total cost of borrowing		
	c. Tenure		
	d. Other details		
39.	Material covenants of the proposed transaction	Not applicable	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
40.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating) Explanation: This shall be applicable in case of investment in debt instruments.	Not applicable	
41.	Expected annualised returns Explanation: This shall be applicable in case of investment in debt instruments.	Not applicable	
42.	Returns on past investments in the related party over the last three financial years	Not applicable	
43.	Details of asset-liability mismatch position, if any, post investment Explanation: This shall be applicable in case of investment in debt instruments.	Not applicable	
44.	Whether any regulatory approval is required. If yes, whether the same has been obtained.	Not applicable	
B(5).Additional details for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary			
45.	Rationale for giving guarantee, surety, indemnity or comfort letter	Not applicable	
46.	Material covenants of the proposed transaction including (i) commission, if any to be received by the listed entity or its subsidiary; (ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.	Not applicable	
47	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity, or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.	Not applicable	
48.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)), if guarantee, surety, indemnity or comfort letter is given in connection with the borrowing by a related party	Not applicable	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
49.	Details of solvency status and going concern status of the related party during the last three financial years:	**FY 2024-25**	**FY 2023-24**	**FY 2022-23**	
		There is no going concern issue	There is no going concern issue	There is no going concern issue	
50.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.	**FY 2024-25**	**FY 2023-24**	**FY 2022-23**	
		Not applicable	Not applicable	Not applicable	
B(6).Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary					
51.	Material covenants of the proposed transaction	Not applicable			
52.	Interest rate (in terms of numerical value or base rate and applicable spread)	Not applicable			
53.	Cost of borrowing (This shall include all costs associated with the borrowing)	Not applicable			
54.	Maturity / due date	Not applicable			
55.	Repayment schedule & terms	Not applicable			
56.	Whether secured or unsecured?	Not applicable			
57.	If secured, the nature of security & security coverage ratio	Not applicable			
58.	The purpose for which the funds will be utilized by the listed entity / subsidiary	Not applicable			
59.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements Explanation: This shall not be applicable to listed banks.	Not applicable			
	a. Before transaction				
	b. After transaction				
60.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements	Not applicable			
	Explanation: This shall not be applicable to listed banks.				
	a. Before transaction				
	b. After transaction				

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
B(7). Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate			
61.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Not applicable	
62.	Best bid / quotation received If comparable bids are available, disclose the price and terms offered.	Not applicable	
63.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Not applicable	
64.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.	Not applicable	
65.	Wherever comparable bids are not available, state what is the basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Not applicable	
66.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate.	Not applicable	
67.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:	Not applicable	

	FY 2024 -25	FY 2023-24	FY 2022-23
Turnover			
Net worth			
Net Profit			
Net Profit Margin			
Operating Cash Flow Margin			
Return on Assets (RoA)			

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
68.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking	Not applicable	
	a. Expected impact on turnover		
	b. Expected impact on net worth		
	c. Expected impact on net profits		
69.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity, or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.	Not applicable	
70.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	Not applicable	
71.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	Not applicable	
72.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	Not applicable	
74.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	Not applicable	
B(8).Additional details for transactions relating to payment of royalty			
75.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years	Not applicable	
	FY 2024-25	Nil	
	FY 2023-24	Nil	
	FY 2022-23	Nil	
75.	Purpose for which royalty was paid to the related party during the last three financial years.	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporate management fee or any other fee	Nil	
	d. Any other use (specify)	Nil	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
76.	Purpose for which royalty is proposed to be paid to the related party in the current financial year	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporate management fee or any other fee	Nil	
	d. Any other use (specify)	Nil	
77.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
	FY 2024-25		
	FY 2023-24		
	FY 2022-23		
78.	Dividend paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
79.	Royalty and dividend paid or proposed to be paid during the current FY Explanation: The dividend proposed to be paid shall mean dividend that has been declared but not been paid yet.	Not applicable	
80.	Rate at which royalty has increased in the past 5 years, if any, vis-à-vis rate at which the turnover, profits after tax and dividends have increased during the same period.	Not applicable	
81.	In case of new technology i.e. first year of technology transfer (to be provided separately for each new technology):	Not applicable	
	a. Expected duration of technology transfer		
	b. Benefits derived from the technology transfer		
82.	In case of existing technology i.e. technology being imported (to be provided separately for each existing technology):	Not applicable	
	a. Years since technology transfer initiated	In years Not applicable	
	b. Expected duration of technology transfer	In years Not applicable	
	c. Benefits derived from the technology transfer	Not applicable	

ANNEXURE C (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
83.	Details of in-house research & development, if any: a. Total expenses incurred during the preceding financial year b. Benefits derived c. If any in-house R&D undertaken by the listed entity or its subsidiary that will reduce or eliminate the royalty currently paid for any technology or technical know-how. Additionally, the absolute value of R&D expenditure incurred by the listed entity or its subsidiary on such in-house R&D, along with the period required for completing the research to achieve the reduction or elimination of royalty, shall be disclosed to the Audit Committee.	Not applicable	
84.	If royalty is paid to the parent Company, disclose royalty received by the parent company from foreign entities: • Minimum rate of royalty charged along with corresponding absolute amount • Maximum rate of royalty charged along with corresponding absolute Amount Explanation: a) The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty. b) The listed entity may confirm whether the parent Company charges royalty at a uniform rate from all group companies. If so, this row shall not be applicable.	Not applicable	
85.	Sunset Clause for Royalty payment	Not applicable	
86.	**Peer Comparison:** Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:	Not applicable	

ANNEXURE C (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th>Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td></td><td colspan="2">
<table>
<tr><th></th><th>Listed Entity / Subsidiary</th><th>Peer 1</th><th>Peer 2</th><th>Peer 3</th></tr>
<tr><td>Royalty payment over last 3 years</td><td>Aggregate amount</td><td>Aggregate amount</td><td>Aggregate amount</td><td>Aggregate amount</td></tr>
<tr><td>Royalty paid as a % of net profits over the last 3 years</td><td>%</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>Annual growth rate of Turnover over last 3 years</td><td>%</td><td>%</td><td>%</td><td>%</td></tr>
</table>
</td><td></td></tr>
<tr><td>87.</td><td>Royalty paid or payable for imported technology, along with the turnover attributable to such technology.</td><td>Not applicable</td><td></td></tr>
<tr><td>88.</td><td>Royalty paid or payable for brands or other intangible assets, along with the turnover attributable to their use.</td><td>Not applicable</td><td></td></tr>
</table>

ANNEXURE-D

Item No. 6

Approval of Material Related Party Transactions with SKF Engineering and Lubrication India Private Limited(Fellow Subsidiary)

Pursuant to Section 188 of Companies Act, 2013 and rules thereunder read with SEBI notified Industry Standards on Related Party Transactions and SEBI Master Circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated 11th November, 2025 ("SEBI Circular"), as amended till date, particulars of the transactions with SKF Engineering and Lubrication India Private Limited presented before the Audit Committee (Only Independent Directors) and Board of Directors for its approval (which has been duly approved and recommended to the Shareholders for approval);

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
A.	**Details of the related party and transactions with the related party**		
A(1).	**Basic details of the related party**		
1.	Name of the related party	SKF Engineering and Lubrication India Private Limited ("SELIPL")	
2.	Country of incorporation of the related party	Bangalore, India	
3.	Nature of business of the related party	Primary involved in the manufacture of general-purpose machinery. The company specializes in bearings, seals, and lubrication systems.	
A(2).	**Relationship and ownership of the related party**		
4.	Relationship between the listed entity/subsidiary (in case of transaction involving the subsidiary) and the related party.	SELIPL is the subsidiary of company AB SKF (Promoter company of SKF India Limited)	
5.	Shareholding or contribution % or profit & loss sharing % of the listed entity/ subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. Explanation: Indirect shareholding shall mean shareholding held through any person, over which the listed entity or subsidiary has control.	SKF India Limited does not have any shareholding or contribution % or profit & loss sharing % of the listed entity / subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party.	
6.	Shareholding of the related party, whether direct or indirect, in the listed entity/subsidiary (in case of transaction involving the subsidiary). Explanation: Indirect shareholding shall mean shareholding held through any person, over which the related party has control. While calculating indirect shareholding, shareholding held by relatives shall also be considered.	SELIPL do not hold any shareholding in SKF India Limited.	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management			Comments of the Audit Committee
A(3).	**Financial performance of the related party**				
	Particulars	**Amount in (MINR) FY 2023-24**	**Amount in (MINR) FY 2022-23**	**Amount in (MINR) FY 2021-22**	
7.	Standalone turnover of the related party for each of the last three Financial Years:	9,970.6	8,869.7	7,258.3	
8.	Standalone net worth of the related party for each of the last three Financial Year	4,888.4	4,356.2	4,343.9	
9.	Standalone net profits of the related party for each of the last three Financial Year	519.7	36.0	347.7	
A(4).	**Details of previous transactions with the related party**				
10.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during each of the last three Financial Years. **Note:** Details need to be disclosed separately for listed entity and its subsidiary.	**Amount in (MINR) FY 2023-24**	**Amount in (MINR) FY 2022-23**	**Amount in (MINR) FY 2021-22**	
	Sr. No. **Category**				
	1) Sale & Purchase of Goods, Receiving & Rendering of Services and Other Transactions	3,953.4	7,389.8	4,035.8	
	2) Loan given / repaid (Including interest)	973.3	223.8	51.2	
	Total	**4,926.7**	**7,613.6**	**4,087.0**	
11.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the current Financial Year (till the date of approval of the Audit Committee / shareholders). (till Q3 FY 2024-25)	4,561.7 (MINR)			
12.	Whether prior approval of the Audit Committee has been taken for the above-mentioned transactions?	Yes			
13.	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 three Financial Years.	No			
A(5).	**Amount of the proposed transactions (All types of transactions taken together)**				
14.	Total amount of all the proposed transactions being placed for approval in the current meeting.	11,243.5 (MINR)			

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
15.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current Financial Year is material RPT in terms of Para 1(1) of these Standards?	Yes	
16.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding Financial Year.	25%	
17.	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)	25%	
18.	Value of the proposed transactions as a percentage of the related party's annual standalone turnover for the immediately preceding Financial Year.	113%	
B. Details for specific transactions			
B(1). Basic details of the proposed transaction			
(In case of multiple types of proposed transactions, details to be provided separately for each type of the proposed transaction – for example, (i) sale of goods and purchase of goods to be treated as separate transactions; (ii) sale of goods and sale of services to be treated as separate transactions; (iii) giving of loans and giving of guarantee to be treated as separate transactions)			
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/ services, giving loan, borrowing, etc.)	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.	
2.	Details of the proposed transaction		
	Sr. No. / Category	**Amount (MINR)**	
	1 – Sale and Purchase of Goods, Receiving and Rendering of Services and Other Transactions	9,726.6	
	2 – Loan given/repaid (Including interest)	1,516.9	
	Total	**11,243.5**	
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 year and as per the period mentioned in resolution no. 6.	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
4.	Indicative date / timeline for undertaking the transaction	For the period 1st April 2025 to 31st March 2026 and thereafter up to the date of the next annual general meeting of the Company to be held for the Financial Year 2025-26 or fifteen months from the date of 64th Annual General Meeting, whichever is earlier.	
5.	Whether omnibus approval is being sought?	Yes	
6.	Value of the proposed transaction during a Financial Year. In case approval of the Audit Committee is Sought for multi-year contracts, also provide the aggregate value of transactions during the tenure of the contract. If omnibus approval is being sought, the maximum value of a single transaction during a Financial Year.	Aggregate value of transactions for FY 2025-26 is MINR 11,243.5. The details of the transactions are provided above in the table.	
7.	Whether the RPTs proposed to be entered into are: (i) not prejudicial to the interest of public shareholders, and (ii) going to be carried out on the same terms and conditions as would be applicable to any party who is not a related party	Yes	
8.	Provide a clear justification for entering into the RPT, demonstrating how the proposed RPT serves the best interests of the listed entity and its public shareholders.	SKF specializes in the manufacturing of various types of bearings, sourcing raw materials from third-party suppliers as part of its procurement strategy. The design and engineering of these bearings are developed at the group level, ensuring adherence to proprietary specifications and industry standards. Given the confidential nature of these designs, certain manufacturing processes are entrusted to other entities within the group. All transactions related to these arrangements are conducted at arm's length pricing, ensuring compliance with transfer pricing regulations and maintaining transparency in financial and operational dealings.	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
9.	Details of the promoter(s)/ director(s) / key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. The details that shall be provided, were the shareholding or contribution or % sharing ratio of the promoter(s) or director(s) or KMP in the related party is more than 2%. Explanation: Indirect interest shall mean interest held through any person over which an individual has control including interest held through relatives.	SELIPL is a subsidiary of AB SKF which is a Promoter company of SKF India Limited. None of the Directors and / or Key Managerial Personnel of the Company and / or their relatives except Mr. Karl Robin Joakim Landholm and Ms. Kerstin Enochsson (being employed by AB SKF / 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 in the explanatory statement in item no. 6	
	b. Shareholding of the director / KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 6	
10.	Details of shareholding (more than 2%) of the director(s) / key managerial personnel / partner(s) of the related party, directly or indirectly, in the listed entity. Explanation: Indirect shareholding shall mean shareholding held through any person over which an individual has control including shareholding held through relatives.	Not applicable, as none of the Director / KMPs hold shares in the Company	
	a. Name of the director / KMP / partner	Not applicable	
	b. Shareholding of the director / KMP / partner, whether direct or indirect, in the listed entity	Not applicable	
11.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not applicable	
12.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
B(2).Additional details for proposed transactions relating to sale, purchase or supply of goods or services or any other similar business transaction			
13.	Number of bidders / suppliers / vendors / traders / distributors / services providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Given the substantial business alignment between SKF India Limited and SELIPL 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 SELIPL	The Audit Committee reviewed the rationale presented by Management regarding the quotation received from SELIPL for the specified transaction(s). Following this assessment, the Committee concurred with the justification provided and subsequently approved the transaction(s).
14.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered.	Refer above comment	Refer above comment
15.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Refer above comment	Refer above comment
16.	Where bids were not invited, the facts shall be disclosed along with the justification for the same.	Refer above comment	Refer above comment
17.	Wherever comparable bids are not available, state what is basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Refer above comment	Refer above comment
B(3).Additional details for proposed transactions relating to any loans, inter-corporate deposits or advances given by the listed entity or its subsidiary			
18.	Source of funds in connection with the proposed transaction. Explanation: This shall not be applicable to listed banks/ NBFCs.	Own funds will be used	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
19.	Where any financial indebtedness is incurred to give loan, inter-corporate deposit or advance, specify the following: Explanation: This shall not be applicable to listed banks/ NBFCs. a. Nature of indebtedness b. Total cost of borrowing c. Tenure d. Other details	Not applicable	
20.	Material covenants of the proposed transaction	The loan together with interest will be secured by first charge by way of hypothecation on all the fixed assets of the borrower and corporate guarantee given by AB SKF (Promoter of SKF India Limited and SELIPL). No covenants will be there.	
21.	Interest rate charged on loans / inter-corporate deposits / advances by the listed entity (or its subsidiary, in case of transaction involving the subsidiary) in the last three Financial Years: • To any party (other than related party): • To related party. **Explanations:** Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.	o No loans have been provided to any other party except SELIPL. o 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.	
22.	Rate of interest at which the related party is borrowing from its bankers or the rate at which the related party may be able to borrow given its credit rating or credit score and its standing and financial position	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.	
23.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers or the rate at which the listed entity may be able to borrow given its credit rating or credit score and its standing and financial position	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.	

ANNEXURE D (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td>24.</td><td>Proposed interest rate to be charged by listed entity or its subsidiary from the related party.</td><td colspan="3">The proposed interest rate to be charged equivalent to 7 (seven) years Government Security (6.50% GS rate currently) or, FD/Term deposit rate, whichever is higher + 150 bps (to be reviewed every 6 months), and on such terms and conditions as may be mutually agreed between the Company and SELIPL which shall be utilized by SELIPL for its principal business activities only.</td><td></td></tr>
<tr><td>25.</td><td>Maturity / due date</td><td colspan="3">The same is repayable as per agreement.</td><td></td></tr>
<tr><td>26.</td><td>Repayment schedule & terms</td><td colspan="3">As per the agreement entered</td><td></td></tr>
<tr><td>27.</td><td>Whether secured or unsecured?</td><td colspan="3">The loan together with interest will be secured by first charge by way of hypothecation on all the fixed assets of the borrower and corporate guarantee given by AB SKF (Promoter of SKF India Limited and SELIPL).</td><td></td></tr>
<tr><td>28.</td><td>If secured, the nature of security & security coverage ratio</td><td colspan="3">Refer to the above comment.</td><td></td></tr>
<tr><td>29.</td><td>The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.</td><td colspan="3">Working capital for day-to-day business operation and capital expansion.</td><td></td></tr>
<tr><td>30.</td><td>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td rowspan="2">31.</td><td rowspan="2">Amount of total borrowings (long-term and short-term) of the related party over the last three Financial Years</td><td>FY 2023-2024</td><td>FY 2022-2023</td><td>FY 2021-2022</td><td rowspan="2"></td></tr>
<tr><td>1576</td><td>676</td><td>856</td></tr>
<tr><td>32.</td><td>Interest rate paid on the borrowings by the related party from any party in the last three Financial Years.

Explanation: Comparable rates shall be provided for similar nature of transaction, for e.g., long term vis-a-vis long term etc.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td rowspan="2">33.</td><td rowspan="2">Default in relation to borrowings, if any, made during the last three financial years, by the related party from the listed entity or any other person.</td><td>FY 2023-2024</td><td>FY 2022-2023</td><td>FY 2021-2022</td><td rowspan="2"></td></tr>
<tr><td>No default</td><td>No default</td><td>No default</td></tr>
</table>

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management		Comments of the Audit Committee
Additional details relating to advances other than loan given by the listed entity or its Subsidiary				
34.	Advances provided, their break-up and duration.	In the normal course of business there are no advances to be paid to the related party.	Not applicable	

Sr. No.	Advance given to	Amount	Duration of advance given

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
35.	Advance as % of the total loan given during the preceding 12 months	Not applicable	
B(4).Additional details for proposed transactions relating to any investment made by the listed entity or its subsidiary			
36.	Source of funds in connection with the proposed transaction. Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
37.	Purpose for which funds shall be utilized by the investee company.	Not applicable	
38.	Where any financial indebtedness is incurred to make investment, specify the following: Explanation: This shall not be applicable to listed banks/ NBFCs.	Not applicable	
	a. Nature of indebtedness		
	b. Total cost of borrowing		
	c. Tenure		
	d. Other details		
39.	Material covenants of the proposed transaction	Not applicable	
40.	Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating)) Explanation :This shall be applicable in the case of investment in debt instruments.	Not applicable	
41.	Expected annualized returns Explanation: This shall be applicable in case of investment in debt instruments.	Not applicable	
42.	Returns on past investments in the related party over the last three Financial Years	Not applicable	
43.	Details of asset-liability mismatch position, if any, post investment Explanation: This shall be applicable in case of investment in debt instruments.	Not applicable	

ANNEXURE D (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th colspan="3">Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td>44.</td><td>Whether any regulatory approval is required. If yes, whether the same has been obtained.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td colspan="6">B(5).Additional details for proposed transactions relating to any guarantee (excluding performance guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary</td></tr>
<tr><td>45.</td><td>Rationale for giving guarantee, surety, indemnity or comfort letter</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>46.</td><td>Material covenants of the proposed transaction including (i) commission, if any to be received by the listed entity or its subsidiary; (ii) contractual provisions on how the listed entity or its subsidiary will recover the monies in case such guarantee, surety, indemnity or comfort letter is invoked.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>47.</td><td>The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, surety, indemnity, or comfort letter has been provided by the listed entity or its subsidiary. Additionally, any provisions required to be made in the books of account of the listed entity or any of its subsidiary shall also be specified.</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>48.</td><td>Latest credit rating of the related party (other than structured obligation rating (SO rating) and credit enhancement rating (CE rating), if guarantee, surety, indemnity or comfort letter is given in connection with the borrowing by a related party</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td rowspan="2">49</td><td rowspan="2">Details of solvency status and going concern status of the related party during the last three Financial Years:</td><td>FY 2024-25</td><td>FY 2023-24</td><td>FY 2022-23</td><td rowspan="2"></td></tr>
<tr><td>There is no going concern issue</td><td>There is no going concern issue</td><td>There is no going concern issue</td></tr>
<tr><td rowspan="2">50.</td><td rowspan="2">Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person.</td><td>FY 2024-25</td><td>FY 2023-24</td><td>FY 2022-23</td><td rowspan="2"></td></tr>
<tr><td>Not applicable</td><td>Not applicable</td><td>Not applicable</td></tr>
<tr><td colspan="6">B(6).Additional details for proposed transactions relating to borrowings by the listed entity or its subsidiary</td></tr>
<tr><td>51.</td><td>Material covenants of the proposed transaction</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>52.</td><td>Interest rate (in terms of numerical value or base rate and applicable spread)</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>53.</td><td>Cost of borrowing (This shall include all costs associated with the borrowing)</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>54.</td><td>Maturity / due date</td><td colspan="3">Not applicable</td><td></td></tr>
<tr><td>55.</td><td>Repayment schedule & terms</td><td colspan="3">Not applicable</td><td></td></tr>
</table>

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
56.	Whether secured or unsecured?	Not applicable	
57.	If secured, the nature of security & security coverage ratio	Not applicable	
58.	The purpose for which the funds will be utilized by the listed entity / subsidiary	Not applicable	
59.	Debt to Equity Ratio of the listed entity or its subsidiary based on last audited financial statements Explanation: This shall not be applicable to listed banks.	Not applicable	
	a. Before transaction		
	b. After transaction		
60.	Debt Service Coverage Ratio of the listed entity or its subsidiary based on last audited financial statements Explanation: This shall not be applicable to listed banks.	Not applicable	
	a. Before transaction		
	b. After transaction		
B(7).	**Additional details for proposed transactions relating to sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate**		
61.	Number of bidders / suppliers / vendors / traders / distributors / service providers from whom bids / quotations were received with respect to the proposed transaction along with details of process followed to obtain bids.	Not applicable	
62.	Best bid / quotation received. If comparable bids are available, disclose the price and terms offered	Not applicable	
63.	Additional cost / potential loss to the listed entity or the subsidiary in transacting with the related party compared to the best bid / quotation received.	Not applicable	
64.	Where bids were not invited, the fact shall be disclosed along with the justification for the same.	Not applicable	
65.	Wherever comparable bids are not available, state what is the basis to recommend to the Audit Committee that the terms of proposed RPT are beneficial to the shareholders.	Not applicable	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
66.	Reasons for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity, or disposal of shares of subsidiary or associate.	The Company has given the GTCI building on lease in earlier years and the rentals are charged at an arm's length.	
67.	Financial track record of the subsidiary / undertaking that is being sold (in case of sale of undertaking, segment level data to be provided) during the last three financial years:	Not applicable	

	FY 2024 -25	FY 2023-24	FY 2022-23
Turnover			
Net worth			
Net Profit			
Net Profit Margin			
Operating			
Cash Flow Margin			
Return on Assets (RoA)			

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
68.	Expected financial impact on the consolidated turnover, net worth and net profits of the listed entity or its subsidiary due to sale of the subsidiary / undertaking	Not applicable	
	a. Expected impact on turnover		
	b. Expected impact on net worth		
	c. Expected impact on net profits		
69.	Details of earlier sale, lease or disposal of assets of the same subsidiary or of the unit, division or undertaking of the listed entity, or disposal of shares of the same subsidiary or associate to any related party during the preceding twelve months.	The Company has given the GTCI building on lease in earlier years and the rentals are charged at an arm's length.	
70.	Whether the transaction would result in issue of securities or consideration in kind to a related party? If yes, please share the relevant details.	Not applicable	
71.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	Not applicable	
72.	Does it involve transfer of key intangible assets or key customers which are critical for continued business of the listed entity or any of its subsidiary?	Not applicable	
73.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	Not applicable	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
B(8).Additional details for transactions relating to payment of royalty			
74.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years	Not applicable	
	FY 2024-25	Nil	
	FY 2023-24	Nil	
	FY 2022-23	Nil	
75.	Purpose for which royalty was paid to the related party during the last three financial years.	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporatemanagement fee or any other fee	Nil	
	d. Any other use (specify)	Nil	
76.	Purpose for which royalty is proposed to be paid to the related party in the current financial year	Not applicable	
	a. For use of brand name / trademark	Nil	
	b. For transfer of technology know-how	Nil	
	c. For professional fee, corporate management fee or any other fee	Nil	
	d. Any other use (specify)	Nil	
77.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
	FY 2024-25		
	FY 2023-24		
	FY 2022-23		
78.	Dividend paid in last 3 FYs as % of Net Profits of previous FYs	Not applicable	
79.	Royalty and dividend paid or proposed to be paid during the current FY Explanation: The dividend proposed to be paid shall mean dividend that has been declared but not been paid yet.	Not applicable	
80.	Rate at which royalty has increased in the past 5 years, if any, vis-à-vis rate at which the turnover, profits after tax and dividends have increased during the same period.	Not applicable	

ANNEXURE D (Contd.)

Sr. No	Particulars of the information	Information provided by the management	Comments of the Audit Committee
81.	In case of new technology i.e. first year of technology transfer (to be provided separately for each new technology):	Not applicable	
	a. Expected duration of technology transfer		
	b. Benefits derived from the technology transfer		
82.	In case of existing technology i.e. technology being imported (to be provided separately for each existing technology):	Not applicable	
	a. Years since technology transfer initiated	In years	
		Not applicable	
	b. Expected duration of technology transfer	In years	
		Not applicable	
	c. Benefits derived from the technology transfer	Not applicable	
83.	Details of in-house research & development, if any:	Not applicable	
	a. Total expenses incurred during the preceding financial year		
	b. Benefits derived		
	c. If any in-house R&D undertaken by the listed entity or its subsidiary that will reduce or eliminate the royalty currently paid for any technology or technical know-how. Additionally, the absolute value of R&D expenditure incurred by the listed entity or its subsidiary on such in-house R&D, along with the period required for completing the research to achieve the reduction or elimination of royalty, shall be disclosed to the Audit Committee.		

ANNEXURE D (Contd.)

<table>
<tr><th>Sr. No</th><th>Particulars of the information</th><th>Information provided by the management</th><th>Comments of the Audit Committee</th></tr>
<tr><td>84.</td><td>If royalty is paid to the parent company, disclose royalty received by the parent company from foreign entities:
• Minimum rate of royalty charged along with corresponding absolute amount
• Maximum rate of royalty charged along with corresponding absolute Amount
Explanation:
a) The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.
b) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies. If so, this row shall not be applicable.</td><td>Not applicable</td><td></td></tr>
<tr><td>85.</td><td>Sunset Clause for Royalty payment</td><td>Not applicable</td><td></td></tr>
<tr><td>86.</td><td>Peer Comparison:
Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:</td><td>Not applicable</td><td></td></tr>
<tr><td></td><td colspan="2">
<table>
<tr><th></th><th>Listed Entity / Subsidiary</th><th>Peer 1</th><th>Peer 2</th><th>Peer 3</th></tr>
<tr><td>Royalty payment over last 3 years</td><td>Aggregate amount</td><td>Aggregate amount</td><td>Aggregate Amount</td><td>Aggregate amount</td></tr>
<tr><td>Royalty paid as a % of net profits over the last 3 years</td><td>%</td><td>%</td><td>%</td><td>%</td></tr>
<tr><td>Annual growth rate of Turnover over last 3 years</td><td>%</td><td>%</td><td>%</td><td>%</td></tr>
</table>
</td><td></td></tr>
<tr><td>87.</td><td>Royalty paid or payable for imported technology, along with the turnover attributable to such technology.</td><td>Not applicable</td><td></td></tr>
<tr><td>88.</td><td>Royalty paid or payable for brands or other intangible assets, along with the turnover attributable to their use.</td><td>Not applicable</td><td></td></tr>
</table>

ANNEXURE-E

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.

Profile – Secretarial Auditors – J B Bhave & Co.:

M/s J. B. Bhave & Co is a renowned firm of Company Secretaries in Whole Time Practice based at Pune in the State of Maharashtra, India providing premium and effective secretarial, legal and business solutions through a team of professionals. Mr. Jayavant B. Bhave has more than 30 years of experience at the corporate managerial level in addition to being registered as a Company Secretary in whole-time practice.

INFORMATION AT A GLANCE

Sr. No	Particulars	Details
1.	**Day, Date and Time of AGM**	Wednesday, 6th August, 2025 at 14:00 Hrs (IST)
2	**Mode**	Video Conference (VC) and Other Audio Visual Means (OAVM)
3	**Participation through VC/OAVM**	Members can login from 02.00 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 **Saturday, 26th July, 2025** 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 **Saturday, 26th July, 2025.**
7.	**Recorded Transcript**	Will be made available post AGM at https://www.skf.com/in/investors
8.	**Dividend for FY 2023-2024 recommended by the Board**	Rs. 14.5/-per equity share of the face value of Rs. 10/- each
9.	**Dividend Record Dates**	**4th July, 2025 (Friday)**
10.	**Dividend Payment Date**	The Dividend, if declared at the AGM will be paid on or before, 04th September 2025.
11.	**Cut-off date for e-voting**	**30th July, 2025 (Wednesday)**
12.	**Remote e-voting start time and date**	**2nd August, 2025 (Saturday at 9:00 am IST)**
13.	**Remote e-voting end time and date**	**5th August, 2025 (Tuesday at 5:00 p.m. IST)**
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.

ANNEXURE-E (Contd)

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 400083 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 – www.in.mpms.mufg.com

Financial Statements

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 March 31, 2025, 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 March 31, 2025, and its profit, total 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 Matter

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. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Evaluation of uncertain tax position pertaining to Transfer Pricing Matters** (Refer Note 37) The Company has material uncertain tax positions pertaining to Transfer Pricing related matters. The management's assessment is supported by their tax experts' views on whether or not a provision is required against these matters. These matters involve significant management judgement and estimation with respect to interpretations of the legal aspects, tax legislations and judgements previously made by income tax authorities to determine the likelihood and/or timing of the cash outflows, if any.	Principal audit procedures performed included the following: • We assessed management's processes and tested the internal controls implemented for the identification, recognition and measurement of tax positions and its assessment with respect to interpretations of the legal aspects, tax legislations and judgements previously made by income tax authorities to determine the likelihood and/or timing of the cash outflows; • We received a year-wise statement of all ongoing disputes/litigations along with the initial notice/ Order from income tax department and supporting evidencing the dispute / litigation; • We obtained and verified management's assessments on the dispute / litigated matters, with respect to likelihood of the cash outflows; • We have also obtained independent external confirmation from the Company's Tax consultant; • We involved our internal tax specialist to review the management's position on the disputes / litigated matters and to consider management assessment of the likelihood of cash outflows in evaluating its position on these tax positions; We have assessed the adequacy of disclosures provided in the standalone financial statements.

INDEPENDENT AUDITOR'S REPORT (contd.)

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 the Board's Report including annexures to Board's Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon which we obtained prior to the date of this auditor's report, and the Management's Discussions & Analysis and Business Responsibility and Sustainability Report, which is expected to be made available to us after that date.

- Our opinion on the standalone financial statements does not cover the other information and we do not and will 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 identified above when it becomes available 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.

- When we read the Management's Report and Analysis and Board's Report including annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 relevant 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 March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, 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 37 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 of the standalone financial statements.

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note no. 46 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, other than as disclosed in the note no. 46 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 34(b)(ii) 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 financial year ended March 31, 2025, which have 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:25102637BMKSMR5301

Place: Pune
Date: May 15, 2025

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 March 31, 2025, 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.

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 March 31, 2025, 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: 25102637BMKSMR5301

Place: Pune
Date: May 15, 2025

"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, investment properties 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, 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) Based on our 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 all the immovable properties, (other than immovable 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, investment properties are held in the name of the Company as at the balance sheet date.

(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 March 31, 2025 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories (except goods in transit) were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the 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. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with 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 provided any guarantee or security, and granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. The Company has made investments in a wholly owned subsidiary and granted advances in the nature of loans to other parties during the year. in respect of which:

(a) The Company has provided advances in the nature of loans during the year and details of which are given below:

(Rs. in Million)

		Loan	Advances in nature of loans
A.	Aggregate amount granted / provided during the year:		
-	Others (Vendors)	-	40.0
B.	Balance outstanding as at balance sheet date in respect of above case:*		
-	Fellow Subsidiary	1,576.0	-
-	Others (Vendors)	-	33.3

*(Also refer note 7 & 44 of the standalone financial statements)

The Company has not provided any guarantee or security to any other entity during the year.

(b) The investments made, and the terms and conditions of the grant of all the above-mentioned advances in the nature of loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.

(c) In respect of loans granted and advances in the nature of loans by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.

(d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans and advances in the nature of loans granted by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.

(e) No loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and investments made. The Company has not provided any guarantees and 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 Act. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Act, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees State Insurance, Income-tax, Sales tax, cess and other material statutory dues applicable to the Company have generally 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, Sales tax, cess and other material statutory dues in arrears as at March 31, 2025 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 March 31, 2025 on account of disputes are given below:

Name of Statute	Nature of Dues	Amount	Amount Paid under protest	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty (Including interest and Penalty, if Applicable)	221.66	28.68	Various year	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 Dues	Amount	Amount Paid under protest	Period to which the amount relates	Forum where the dispute is pending
Finance Bill, 1994	Service Tax	17.75	0.89	From October 2014 to June 2017	Divisional Commissioner Office, Pune
Good and Service Tax	Good and Service Tax, Interest and Penalty	69.80	3.17	F.Y. 2017-18, 2018-19, 2020-21, May 2024, August 2024 (Including Tran-1)	
Sales tax Act	Sales Tax (including interest and penalty, if applicable)	20.94	2.95	F.Y. 2005-06, 2006-07, 2007-08, 2008-09 2010-11, 2011-12, 2012-13, 2013-14, 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		52.03	-	F.Y 2011-12, 2012-13, 2013-14, 2015-16, 2016-17, 2017-18	Deputy Commissioner Appeal
Sales tax Act		2.91	1.48	F.Y. 2015-16	Joint 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	720.02	AY 2004-2005, 2007 - 2008, 2012 - 2013, 2013 - 2014, 2014 - 2015, 2015 - 2016, 2016 - 2017, 2017 - 2018, 2018 – 2019, 2020-21, 2021-22	Income Tax Appellate Tribunal (ITAT)
		529.69	136.74	A.Y. 2000-2001, 2008 - 2009, 2009 - 2010, 2011 - 2012, 2015 – 2016	Commissioner of Income-tax (Appeals)

(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) On an overall examination of the financial statements of the Company, there are no funds raised on short-term basis which have been used for long-term purposes by the Company.

(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) We have taken into consideration the whistle blower complaints received by the Company during the year and provided to us, when performing our audit.

(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 (December 2024) and the draft of the internal audit reports, where issued after the balance sheet date covering the period (January to March 2025) for the period under audit.

(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.

(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

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT (contd.)

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 is 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: 25102637BMKSMR5301

Place: Pune
Date: May 15, 2025

STANDALONE BALANCE SHEET

AS AT MARCH 31, 2025

(INR in Million)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	5,205.4	4,377.5
Right-of-use assets	3(b)	51.2	94.0
Capital work-in-progress	3(a)	556.4	886.9
Investment properties	4	241.1	250.7
Other Intangible assets	5	10.3	1.5
Financial assets			
Investments	6	90.2	90.1
Loans	7	1,576.0	1,576.0
Others Financial assets	8	338.7	337.3
Deferred tax assets (net)	9	391.2	311.1
Non- Current Tax Asset (net)	10	416.9	289.9
Other non-current assets	11	1,074.8	887.8
Total non-current assets		**9,952.2**	**9,102.8**
Current Assets			
Inventories	12	8,733.3	6,838.8
Financial Assets			
Trade receivables	13	8,485.8	7,513.3
Cash and cash equivalents	14	7,107.6	12,174.6
Cash and cash equivalents	15	80.6	46.5
Bank balance other than above	7	33.3	-
Others Financial assets	8	38.6	245.6
Other Current Assets	11	1,206.0	593.3
Total current assets		**25,685.2**	**27,412.1**
TOTAL ASSETS		**35,637.4**	**36,514.9**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	494.4	494.4
Other Equity	17	25,485.1	26,334.0
Total Equity		**25,979.5**	**26,828.4**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	5.8	37.5
Provisions	18	549.4	369.4
Total non-current liabilites		**555.2**	**406.9**
Current Liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	63.4	80.1
Trade Payables	19		
Outstanding dues of micro and small enterprises		505.5	370.2
Outstanding dues other than micro and small enterprises		6,124.2	6,761.2
Other Financial liabilities	20	1,748.4	1,333.8
Provisions	18	429.6	475.7
Other current liabilites	20	231.6	258.6
Total current liabilities		**9,102.7**	**9,279.6**
Total Liabilities		**9,657.9**	**9,686.5**
TOTAL EQUITY AND LIABILITIES		**35,637.4**	**36,514.9**
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

The accompaning 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 15, 2025

For and on behalf of the Board of Directors of SKF India Limited

Gopal Subramanyam
Chairman
DIN :- 06684319
Place :- Gothenberg

Mukund Vasudevan
Managing Director
DIN :- 05146681
Place :- Gothenberg

Ashish Saraf
Chief Financial Officer
PAN :-AVEPS0176L
Place :- Bengaluru

Ranjan Kumar
Company Secretary
PAN :-AMEPK5869R
Place :- Pune

Date: May 15, 2025

STANDALONE STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(INR in Million)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
1 Revenue from Operations	22	49,199.2	45,701.3
Other Income	23	1,014.5	940.1
Total Income		**50,213.7**	**46,641.4**
2 Expenses			
(a) Cost of materials consumed	24	12,472.7	11,600.7
(b) Purchases of stock-in-trade	25	19,473.7	16,325.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(1,781.0)	(143.3)
(d) Employee benefit expense	27	3,597.8	3,433.7
(e) Finance costs	28	7.0	12.1
(f) Depreciation and amortisation expense	29	830.8	746.0
(g) Other expenses	30	7,981.7	7,308.8
Total Expenses		**42,582.7**	**39,283.5**
3 Profit before tax (1 - 2)		**7,631.0**	**7,357.9**
4 Income tax expense :			
Current tax (including tax relating to earlier years)	31	2,028.4	1,900.4
Deferred tax (credit)	9	(55.5)	(60.2)
Total tax expense		**1,972.9**	**1,840.2**
5 Profit for the year (3 - 4)		**5,658.1**	**5,517.7**
6 Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefits obligation	36	(107.1)	(169.5)
Income tax credit relating to these items	9	27.0	42.7
Other comprehensive (loss) for the year (net of tax)		**(80.1)**	**(126.8)**
7 Total comprehensive income for the year (5 + 6)		**5,578.0**	**5,390.9**
8 Earnings per equity share [nominal value of share INR 10]			
(previous year : INR 10)	35		
Basic and Diluted EPS		114.4	111.6

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

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Date: May 15, 2025

SKF

STANDALONE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

A) Equity Share Capital

(INR in Million)

Particulars	Notes	Amount
March 31, 2024	16	
Balance as at March 31, 2023		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, 2024		**494.4**
March 31, 2025	16	
Balance as at March 31, 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**

B) Other Equity

(INR in Million)

Particulars	Retained earnings	Capital redemption reserve	General reserve	Total Other Equity
Balance as at March 31, 2023	20,048.8	32.9	2,838.9	22,920.6
Profit for the year ended March 31, 2024	5,517.7	-	-	5,517.7
Other comprehensive income for the year ended March 31, 2024	(126.8)	-	-	(126.8)
Total comprehensive income for the year ended March 31, 2024	**5,390.9**	**-**	**-**	**5,390.9**
Transactions with owners in their capacity as owners				
Dividend paid (INR 40 per share)	(1,977.5)	-	-	(1,977.5)
Balance as at March 31, 2024	**23,462.2**	**32.9**	**2,838.9**	**26,334.0**
Profit for the year ended March 31, 2025	5,658.1	-	-	5,658.1
Other comprehensive income for the year ended March 31, 2025	(80.1)	-	-	(80.1)
Total comprehensive income for the year ended March 31, 2025	**5,578.0**	**-**	**-**	**5,578.0**
Transactions with owners in their capacity as owners				
Dividend paid (INR 130 per share)	(6,426.9)	-	-	(6,426.9)
Balance as at March 31, 2025	**22,613.3**	**32.9**	**2,838.9**	**25,485.1**

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

The above Standalone statement of changes in equity should be read in conjunction with the accompanying notes.

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
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Place :- Pune

Date: May 15, 2025

STANDALONE CASHFLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025

(INR in Million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from Operating Activities		
Profit before tax	7,631.0	7,357.9
Adjusted for :		
Depreciation and amortisation expenses	830.8	746.0
Provision for bad and doubtful debts	49.8	90.1
Provision for other receivables	(6.1)	43.0
Profit on sale of Property Plant & Equipment (net)	(0.4)	(8.1)
Finance costs	7.0	12.1
Interest income		
- Fixed deposits with banks	(589.4)	(639.4)
- On loan given to related party	(139.3)	(73.3)
	152.4	170.4
Operating Profit before working capital changes	**7,783.4**	**7,528.3**
Adjusted for :		
(Increase) / Decrease in inventories	(1,894.5)	21.5
(Increase) / Decrease in trade receivables	(1,022.4)	(816.9)
(Increase) / Decrease in current & non-current assets	(409.5)	361.6
(Decrease) / Increase in trade payables	(500.9)	1,052.7
Increase in other liabilities and provisions	421.5	76.5
	(3,405.8)	695.4
Cash generated from operations	**4,377.6**	**8,223.7**
Income taxes paid	(2,346.7)	(1,982.8)
Net cash flow from Operating Activities (A)	**2,030.9**	**6,240.9**
B. Cash flow from Investing Activities		
Investment in associate companies	-	(65.3)
Investment in subsidiary company	(0.1)	-
Payments for Property Plant & Equipment (Including Capital Work-in-progress)	(1,313.4)	(1,303.9)
Payments for Investment properties	(0.5)	(31.5)
Proceed from sale of Property Plant & Equipment	6.4	22.8
Interest Received	603.2	623.1
Interest received on loan to related party	139.3	73.3
Loan to related party and Others	(33.3)	(900.0)
Net cash outflow from Investing Activities (B)	**(598.4)**	**(1,581.5)**
C. Cash flow from Financing Activities		
Dividend paid	(6,427.0)	(1,974.0)
Repayment of lease liability	(73.2)	(63.6)
Net cash outflow from Financing Activities (C)	**(6,500.2)**	**(2,037.6)**
Net changes in Cash and Cash Equivalents (A+B+C)	**(5,067.7)**	**2,621.8**
Cash and Cash Equivalents at beginning of the year	12,174.6	9,552.6
Effects of exchange rate changes on cash and cash equivalents	0.7	0.2
Cash and Cash Equivalents at the end of the year	7,107.6	12,174.6
Net changes in Cash and Cash Equivalents	**(5,067.7)**	**2,621.8**
Material accounting policies	1	
Significant accounting judgements, estimates and assumptions	2	

The accompaning 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 15, 2025

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Company Secretary
PAN :-AMEPK5869R
Place :- Pune

Date: May 15, 2025

NOTES TO THE STANDALONE FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

Background

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.

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;

The standalone financial statements for the year ended March 31, 2025 were authorised for issue in accordance with the resolution of the Board of Directors directors on May 15, 2025.

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.

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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.

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.

1.5 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period. Management periodically evaluates position taken in tax return under applicable tax regulations which is subject to interpretation. It establishes appropriate tax provisions on likely tax liabilities for the accounting period.

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.

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 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

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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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.

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.

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 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
- 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.

1.13 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.

1.14 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 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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

1.15 Post employment benefits

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)

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 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.

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.

1.16 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.

1.17 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.

1.18 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

1.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provide an overview of the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is mentioned below.

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

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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

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.

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 32 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 36(II).

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 capiltalisation 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, 2025, MCA has notified amendments to the leases standard (IND AS 116) for sale-and-leaseback transactions. The amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction, in situations, where some or all the lease payments are variable lease payments, in particular, where the variability does not relate to an index or a rate.

This amendment does not have any material impact on the amounts recognized in the prior periods and are not expected to significantly affect the current or future periods.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

3 (a) Property Plant and Equipment (Refer Note-46(x))

Description	Freehold Land	Building	Furniture & Fixtures **	Office Equipment	Plant & Machinery **	Vehicles	Total	Capital work in progress
Year ended March 31, 2024								
Gross carrying amount as at April 1 , 2023	269.1	726.5	214.1	106.3	6,261.9	128.2	7,706.1	633.8
Additions	-	40.6	28.6	14.8	1,043.2	60.0	1,187.2	1,440.3
Disposals	-	(1.8)	-	-	(6.4)	(39.1)	(47.3)	-
Transfers	-	-	-	-	-	-	-	(1,187.2)
Closing gross carrying amount	**269.1**	**765.3**	**242.7**	**121.1**	**7,298.7**	**149.1**	**8,846.0**	**886.9**
Accumulated Depreciation as at April 1 , 2023	-	177.1	178.7	73.7	3,358.4	43.4	3,831.5	-
Depreciation charged during the year	-	26.3	16.9	18.3	575.6	32.5	669.6	-
Disposals	-	(0.0)	-	-	(4.4)	(28.2)	(32.6)	-
Closing accumulated depreciation	-	203.4	195.6	92.0	3,929.6	47.7	4,468.5	-
Net carrying amount as at March 31, 2024	**269.1**	**561.9**	**47.1**	**29.1**	**3,369.1**	**101.4**	**4,377.5**	**886.9**
Year ended March 31, 2025								
Gross carrying amount 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)	-
Transfers	-	-	-	-	-	-	-	(1,591.5)
Closing gross carrying amount	269.1	903.7	254.1	143.1	8,632.8	215.7	10,418.5	556.4
Accumulated Depreciation 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)	-
Closing accumulated depreciation	-	230.8	216.8	110.2	4,575.6	79.7	5,213.1	-
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**

*The balance is less than one Million.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

3 (a) Property Plant and Equipment (Refer Note-46(x)) (contd.)

Ageing of CWIP:

	March 31, 2024				
	Amounts in capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	841.5	40.6	3.1	1.7	**886.9**
Projects temporarily suspended	-	-	-	-	**-**
Total	**841.5**	**40.6**	**3.1**	**1.7**	**886.9**

	March 31, 2025				
	Amounts in capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	541.8	14.1	0.5	-	**556.4**
Projects temporarily suspended	-	-	-	-	**-**
Total	**541.8**	**14.1**	**0.5**	**-**	**556.4**

**The Company has leased following assets to SKF Engineering and Lubrication India Private Limited (related party) 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
Year ended March 31, 2024		
Gross carrying amount as at April 1 , 2023	60.2	7.0
Additions	-	1.4
Closing gross carrying amount	60.2	8.4
Accumulated Depreciation as at April 1 , 2023	53.2	4.9
Depreciation charged during the year	1.5	0.3
Closing accumulated depreciation	54.7	5.2
Net carrying amount as at March 31, 2024	**5.5**	**3.2**
Year ended March 31, 2025		
Gross carrying amount as at April 1 , 2024	60.2	8.4
Addition	-	-
Closing gross carrying amount	60.2	8.4
Accumulated Depreciation as at April 1 , 2024	54.7	5.2
Depreciation charged during the year	1.5	0.3
Closing accumulated depreciation	56.2	5.5
Net carrying amount as at March 31, 2025	**4.0**	**2.9**

(INR in Million)

(b) Leases

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.

i) Amounts recognised in the Balance sheet

The balance sheet shows the following amounts relating to lease:

Right-of-use of assets	March 31, 2025	March 31, 2024
Buildings at various location	51.2	94.0
Total	**51.2**	**94.0**

Lease Liabilities	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Buildings	63.4	5.8	80.1	37.5
Total	**63.4**	**5.8**	**80.1**	**37.5**

ii) Movement in Right-of-use assets:

Description	Amount
Year ended March 31, 2023	
Gross carrying amount as at April 1 , 2023	350.9
Additions	24.8
Closing gross carrying amount	375.7
Accumulated amortization as at April 1 , 2023	217.2
Amortised during the year	64.5
Closing accumulated amortization	281.7
Net carrying amount as on March 31, 2024	**94.0**
Year ended March 31, 2025	
Gross carrying amount as at April 1 , 2024	375.7
Additions	17.7
Closing gross carrying amount	393.4
Accumulated amortization as at April 1 , 2024	281.7
Amortised during the year	60.5
Closing accumulated amortization	342.2
Net carrying amount as on March 31, 2025	**51.2**

iii) Movement in Lease Liability:

Description	March 31, 2025	March 31, 2024
At the commencement of the year	117.6	144.4
Additions during the year	24.8	24.8
Payments made during the year	(73.2)	(51.6)
Closing Balance	69.2	117.6

iv) Amounts recognised in the Statement of Profit & Loss :

The statement of profit and loss shows the following amounts relating to lease:

Description	March 31, 2025	March 31, 2024
Depreciation charge on right-of-use assets	60.5	64.5
Interest expense (included in Finance cost)	7.0	12.1
Expense relating to short-term leases /leases of low-value assets (Refer Note 30)	14.7	13.4
Total	**82.2**	**90.0**

The total cash outflow for leases for the year was INR 73.2 Million (March 31, 2024 was INR 51.6 Million).

For maturity profile of lease liability refer note 33(B).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

4 Investment properties

Description	March 31, 2025	March 31, 2024
Gross carrying amount		
Opening gross carrying amount	317.6	286.1
Additions during the year	0.5	31.5
Closing gross carrying amount	318.1	317.6
Accumulated depreciation		
Opening accumulated depreciation	66.9	56.9
Depreciation for the year	10.1	10.0
Closing accumulated depreciation	77.0	66.9
Net carrying amount	**241.1**	**250.7**

Amount recognised in statement of profit and loss for investment properties given on operating lease to related party

Description	March 31, 2025	March 31, 2024
Rental Income	49.5	38.4
Depreciation	10.1	10.0
Profit arising from Investment properties	**39.4**	**28.4**

Leasing arrangements

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Description	March 31, 2025	March 31, 2024
Within one year	38.4	38.4
Later than one year but less than 5 year	153.6	153.6
More than 5 years	67.2	105.6

Fair Value

Description	March 31, 2025	March 31, 2024
Investment properties	571.0	513.0

The Company has 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.

There is no impairment in respect of Investment properties and valuation method remain unchanged.

5 Other Intangible assets (Acquired)

Description	Computer Software
Year ended March 31, 2023	
Gross carrying amount as at April 1 , 2023	11.0
Additions	0.2
Disposals/Write off	0.7
Closing gross carrying amount	10.5
Accumulated amortization as at April 1 , 2023	7.8
Amortised during the year	1.9

(INR in Million)

Description	Computer Software
Disposals/Write off	0.7
Closing accumulated amortization	9.0
Net carrying amount as on March 31, 2024	**1.5**
Year ended March 31, 2024	
Gross carrying amount as at April 1 , 2024	10.5
Additions	11.2
Disposals/Write off	-
Closing gross carrying amount	21.7
Accumulated amortization as at April 1 , 2024	9.0
Amortised during the year	2.4
Disposals/Write off	-
Closing accumulated amortization	11.4
Net carrying amount as on March 31, 2025	**10.3**

6 Financial Assets

Investments	March 31, 2025	March 31, 2024
Unquoted investment in subsidiary		
SKF India (Industrial) Limited (Wholly owned subsidiary)(Refer note 46(vi))		
10,000 equity shares of INR 10/- each fully paid	0.1	-
Unquoted investment in associates accounted for using the equity method		
Sunstrength Renewables Private Limited		
599,625 equity shares (March 31, 2024 - 599,625) of INR 10/- each fully paid	47.9	47.9
CleanMax Taiyo Private Limited		
28,867 equity shares (March 31, 2024 - 28,867) of INR 10/- each fully paid	42.2	42.2
	90.2	**90.1**

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.

During the current year, 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.

7 Loans

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Loan to related party* [refer note 44(iii)]	-	1,576.0	-	1,576.0
Loan to others**	33.3	-	-	-
	33.3	**1,576.0**	**-**	**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 TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	
	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good [refer note below]		
Other related parties	1,576.0	**100%**
Total	**1,576.0**	**100%**

	March 31, 2024	
	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good [refer note below]		
Other related parties	1,576.0	**100%**
Total	**1,576.0**	**100%**

Note - Loan given to SKF Engineering and Lubrication India Private Limited (a fellow subsidiary) (formerly known as SKF Technologies (India) Private Limited) with original repayment starting from financial year 2014 onwards. During the previous year, the repayment terms of the loan are extended till 2029.

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. 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.

8 Other Financial assets

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Security Deposits	-	111.0	-	109.8
EMD and other deposits				
- Unsecured, considered good	-	227.5	-	227.5
- Unsecured, considered doubtful	-	136.0	-	112.2
	-	363.5	-	339.7
Less: Allowance for doubtful deposits	-	(136.0)	-	(112.2)
	-	227.5	-	227.5
Gratuity Asset	-	-	-	-
Other receivables				
Related party (refer note 44 (iv))	-	-	186.9	-
Other than related party	7.8	0.2	14.1	-
Interest accrued:				
On fixed deposits with banks	30.8	-	44.6	-
On loan given to related party	-	-	-	-
	38.6	**338.7**	**245.6**	**337.3**

(INR in Million)

9 Deferred tax asset / (liabilities) net

	March 31, 2025	March 31, 2024
Deferred tax assets		
Provision for employee benefits	178.2	138.3
Provision for doubtful trade receivables	69.7	60.4
Provision for Obsolete stock	80.4	61.0
Written down value of Property, plant and equipment	0.3	0.4
Other timing differences	62.6	51.0
	391.2	**311.1**
Deferred tax liabilities		
	-	**-**
Net deferred tax assets	**391.2**	**311.1**

Movements in deferred tax asset/(liabilities) net

	Provision for employee benefits	Provision for doubtful trade receivables	Provision for Obsolete stock	Written Down Value of Property, plant and equipment	Other timing differences	Total
As at April 1, 2023	72.4	40.1	54.5	(4.6)	45.9	208.3
(Charged)/credited :						
- to profit and loss a/c	23.2	20.3	6.5	5.0	5.1	60.2
- to other comprehensive income	42.7	-	-	-		42.7
As at March 31, 2024	138.3	60.4	61.0	0.4	51.0	311.1
(Charged)/credited :						
- to profit and loss a/c	12.9	9.3	19.4	(0.1)	11.6	53.1
- to other comprehensive income	27.0	-	-	-		27.0
As at March 31, 2025	**178.2**	**69.7**	**80.4**	**0.3**	**62.6**	**391.2**

10 Non- Current Tax Asset (net)

	March 31, 2025	March 31, 2024
Tax Assets (net of provision INR 24,228 millions, March 31, 2024 - INR 22,591 millions)	416.9	289.9
	416.9	**289.9**

Movement of Tax

	March 31, 2025	March 31, 2024
Opening Balance (Tax Asset /(Liability) (Net))	289.9	207.4
Add: Taxes paid	2,155.4	1,982.9
Less: Provision for Income tax	(2,005.0)	(1,900.4)
Less: Current Tax adjustment of ealier years	(23.4)	-
Closing Balance	**416.9**	**289.9**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

11 Other assets

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Capital Advance	-	57.5	-	56.4
Prepaid Expenses	153.1	14.7	124.9	20.6
Advances for supply of goods and rendering of services	272.7	-	80.1	-
Export benefits / duty entitlements				
- Unsecured, considered good	18.5	-	14.3	-
- Unsecured, considered doubtful	3.1	-	33.0	-
	21.6	-	47.3	-
Less: Allowance for doubtful receivables	(3.1)	-	(33.0)	-
	18.5	-	14.3	-
Balances with Sales tax / Excise authorities	636.6	-	370.6	-
Amount paid under protest/dispute				
- Direct Tax	-	950.5	-	759.3
- Indirect Tax	-	52.1	-	51.5
	-	1,002.6	-	810.8
Other receivables				
- Unsecured, considered good	125.1	-	3.4	-
- Unsecured, considered doubtful	-	4.9	-	4.9
	125.1	4.9	3.4	4.9
Less: Allowance for doubtful receivables	-	(4.9)	-	(4.9)
	125.1	-	3.4	-
	1,206.0	**1,074.8**	**593.3**	**887.8**

Current Assets

12 Inventories at cost or NRV whichever is lower (FIFO)

	March 31, 2025	March 31, 2024
Raw Materials and Bought-Out Components	848.5	670.3
including material in transit INR 121.4 millions (March 31, 2024 INR 87.8 millions)		
Stores and Spares	593.9	658.6
including material in transit INR 42.6 millions (March 31, 2024 INR 53.8 millions)		
Work-in-progress	33.9	29.9
Finished Products	7,257.0	5,480.0
including Goods in transit INR 1,454.4 millions (March 31, 2024 INR 1,145.0 millions)		
	8,733.3	**6,838.8**

The cost of inventories recognised as an expense during the year in respect of continuing operations was INR 261.5 million (March 31, 2024 INR 245.5 million).

13 Trade receivables

	March 31, 2025	March 31, 2024
Trade receivables from contract with customers – billed	7,609.4	6,793.8
Trade receivables from contract with customers – unbilled	215.9	13.8
Trade receivables from contract with customers – related parties	922.2	930.3

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	March 31, 2024
Less: Loss allowance	(261.7)	(224.6)
Total receivables	**8,485.8**	**7,513.3**
Current portion	8,485.8	7,513.3
Non-current portion	-	-
	8,485.8	**7,513.3**
Break-up of security details		
Trade receivables considered good – unsecured	8,485.8	7,513.3
Trade receivables which have significant increase in credit risk	-	224.6
Trade receivables – credit impaired	261.7	-
Total	**8,747.5**	**7,737.9**
Loss allowance	(261.7)	(224.6)
Total trade receivables	**8,485.8**	**7,513.3**

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

Aging of trade receivables:

	March 31, 2025							
	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
Undisputed trade receivables								
considered good other than related parties	55.1	6,376.2	1,132.3					**7,563.6**
considered good - related parties (Refer note 44 (iv))	160.8	704.3	32.2	19.3	-	3.9	1.7	**922.2**
which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
credit impaired	-	-	56.8	-	-	-	-	**56.8**
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	**-**
which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
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 receivables								**8,485.8**

	March 31, 2024							
	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
Undisputed trade receivables								
considered good other than related parties	13.8	5,556.3	990.1	22.9	-	-	-	**6,583.1**
considered good - related parties (Refer note 44 (iv))	-	927.2	-	3.1	-	-	-	**930.3**
which have significant increase in credit risk	-	-	47.7	-	-	-	-	**47.7**
credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	**-**
which have significant increase in credit risk	-	-	-	59.3	22.9	25.0	69.6	**176.8**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2024							
	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
credit impaired	-	-	-	-	-	-	-	-
Total	**13.8**	**6,483.5**	**1,037.8**	**85.3**	**22.9**	**25.0**	**69.6**	**7,737.9**
Less: Loss allowance								**(224.6)**
Total receivables								**7,513.3**

14 Cash and cash equivalents

	March 31, 2025	March 31, 2024
Balances with Banks		
- On Current Account	435.2	185.9
- On EEFC Account	273.6	37.7
On Deposit Account (with original maturity of 3 months or less)	6,398.8	11,951.0
Cash & Bank Balances	**7,107.6**	**12,174.6**

15 Bank balances other than the above

	March 31, 2024	March 31, 2023
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*	80.1	46.0
	80.6	**46.5**

*Unclaimed dividend account represent amounts held for dividend remittance. Amounts held for divided remittance are not available for use.

16 Equity Share Capital

	No of shares (in million)	Amount
Authorised Equity share capital		
As at March 31, 2023	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2024	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2025	**100.0**	**1,000.0**
Movement in issued, subscribed and paid up Equity share capital		
As at March 31, 2023	49.4	494.4
Changes during the year	-	-
As at March 31, 2024	49.4	494.4
Changes during the year	-	-
As at March 31, 2025	**49.4**	**494.4**

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.

(INR in Million)

Shares of the company held by holding company and their subsidiaries

	March 31, 2025		March 31, 2024	
	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	22.7	226.7
(b) Subsidiaries of holding company				
SKF U.K. Limited	3.1	31.3	3.1	**31.3**
SKF Forvaltning AB	0.2	2.0	0.2	2.0
	26.0	**260.0**	**26.0**	**260.0**

Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2025		March 31, 2024	
	Number of shares (Million)	% of total shares in the class	Number of shares (Million)	% of total shares in the class
Equity shares of INR 10 each fully paid up held by				
Aktiebolaget SKF, holding company	22.7	45.8%	22.7	45.8%
SKF U.K. Limited, fellow subsidiary company	3.1	6.3%	3.1	6.3%

Details of Shareholding of Promoters

Name of the promoter	March 31, 2025			March 31, 2024		
	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)	22.7	45.8%	-	22.7	45.8%	-
SKF U.K. Limited	3.1	6.3%	-	3.1	6.3%	-
SKF Forvaltning AB	0.2	0.4%	-	0.2	0.4%	-

For the period of 5 years immeditely preceeding March 31, 2025;

(i) The Company has not allotted any shares as fully paid up bonus shares

(ii) The Company has not allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash.

(iii) The Company has not bought back any shares.

17 Reserves and surplus*

	March 31, 2025	March 31, 2024
General reserve	2,838.9	2,838.9
Capital redemption reserve	32.9	32.9
Retained earnings	22,613.3	23,462.2
	25,485.1	**26,334.0**
General reserve**		
At the commencement of the year	2,838.9	2,838.9
Closing Balance	**2,838.9**	**2,838.9**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	March 31, 2024
Capital redemption reserve		
At the commencement of the year	32.9	32.9
Closing Balance	**32.9**	**32.9**
At the commencement of the year	23,462.2	20,048.8
Profit for the year	5,658.1	5,517.7
Other comprehensive income recognised directly in retained earning :-		
Remeasurement of net defined benefits obligation (net of tax)	(80.1)	(126.8)
Less : Appropriations		
Dividend on Equity shares INR 130 per share (Previous year INR 40 per share)	(6,426.9)	(1,977.5)
Closing Balance	**22,613.3**	**23,462.2**

*There are no changes due to changes in accounting policies or prior period errors.

** Nature and Purpose of Other Reserves :

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

The reserve is a free reserve.

18 Provisions

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Disputed statutory and other matters	-	84.5	-	76.8
Warranty	2.6	7.4	13.7	7.4
Coupons & Incentives	275.7	-	261.0	-
Provision for employee benefits				
Compensated absences	89.8	325.2	101.6	285.2
Provident fund liability (Refer note 36)	-	132.3		
Gratuity (Refer note 36)	61.5	-	99.4	-
	429.6	**549.4**	**475.7**	**369.4**

Movements in provisions

Movements in each class of provision during the financial year

	Disputed statutory and other matters	Warranty	Coupons & Incentives	Total
As on April 1, 2023	81.3	23.8	286.2	391.3
Provision made during the year	0.5	-	647.8	648.3
Provision utilised during the year	(5.0)	(2.7)	(673.0)	(680.7)
As on March 31, 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**

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

(INR in Million)

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.

(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 upto 18 months.

Financial Liabilities

19 Trade payables

	March 31, 2025	March 31, 2024
Current		
(i) Outstanding dues of micro and small enterprises (Refer note 38)	505.5	370.2
(ii) Outstanding dues of creditors other than micro and small enterprises & related parties	1,336.4	1,751.5
(iii) Payable to related parties (Refer note 44 (iv))	4,787.8	5,009.7
	6,629.7	**7,131.4**

Aging of trade payables:

	March 31, 2025						
	Outstanding for following periods from the due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	493.2	7.5	1.0	0.9	2.9	**505.5**
Others	1,320.4	4,279.2	438.1	11.9	22.7	51.9	**6,124.2**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Others	-	-	-	-	-	-	**-**
Total	**1,320.4**	**4,772.4**	**445.6**	**12.9**	**23.6**	**54.8**	**6,629.7**

	March 31, 2024						
	Outstanding for following periods from the due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	316.1	50.5	1.4	1.2	1.0	**370.2**
Others	940.0	4,825.5	897.2	21.0	13.0	64.5	**6,761.2**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Others	-	-	-	-	-	-	**-**
Total	**940.0**	**5,141.6**	**947.7**	**22.4**	**14.2**	**65.5**	**7,131.4**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

20 Other current financial liabilities

	March 31, 2025	March 31, 2024
Salaries and Incentives	245.1	224.0
Liabilities for dealer incentives	1,065.2	855.4
Unclaimed dividend *	80.0	46.0
Payables on account of capital purchases	60.3	101.4
Other liabilities **	297.8	107.0
	1,748.4	**1,333.8**

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2025 except INR 0.2 million (March 31, 2024 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 Awarenes Fund Account. The Company is in the proecss to recover the money back to Unclaimed Dividend Account.

** includes amount payable towards retention amount for trade payables, etc.

21 Other current liabilities

	March 31, 2025	March 31, 2024
Statutory dues payable (TDS,PF, ESIC,PT, etc.)	189.0	195.3
Advances received from customers	42.6	63.3
	231.6	**258.6**

22 Revenue from operations (Refer note 42)

	For year ended March 31, 2025	For year ended March 31, 2024
Revenue from contracts with customers :-		
Sale of products :-		
Manufactured goods	27,393.7	25,688.2
Traded goods	19,672.8	18,122.2
Sale of products (total)	47,066.5	43,810.4
Sale of services	1,238.5	1,066.9
Other operating revenue :-		
Scrap sales	73.7	98.6
Technical and other service income	706.7	618.5
Miscellaneous Operating Income (includes export benefits etc)	113.8	106.9
	49,199.2	**45,701.3**

23 Other income

	For year ended March 31, 2025	For year ended March 31, 2024
Interest Income from Financial assets at amortised cost		
- Fixed deposits with banks	589.4	639.4
- On loan given to related party	139.3	73.3
Rental income	49.5	38.4
Discount on license purchased	8.2	5.2
Profit on sale of Property Plant and Equipment (net)	0.4	8.1

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	For year ended March 31, 2025	For year ended March 31, 2024
Net gain on foreign currency transactions and translations	176.0	52.4
Miscellaneous Income	51.7	123.3
	1,014.5	**940.1**

24 Cost of materials consumed

	For year ended March 31, 2025	For year ended March 31, 2024
Inventory at the beginning of the year	670.3	969.0
Purchases during the year	12,650.9	11,302.0
Inventory at the end of the year	(848.5)	(670.3)
Cost of materials consumed	**12,472.7**	**11,600.7**

25 Purchase of stock-in-trade

	For year ended March 31, 2025	For year ended March 31, 2024
Purchases of traded goods	19,473.7	16,325.5
	19,473.7	**16,325.5**

26 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For year ended March 31, 2025	For year ended March 31, 2024
Increase in inventory of finished goods :		
Opening inventory	1,468.3	1,387.0
Less : Closing inventory	1,539.1	1,468.3
	(70.8)	(81.3)
Increase in inventory of work in progress :		
Opening inventory	29.9	141.1
Less : Closing inventory	33.9	29.9
	(4.0)	111.2
Increase in inventory of traded goods :		
Opening inventory	4,011.7	3,838.5
Less : Closing inventory	5,717.9	4,011.7
	(1,706.2)	(173.2)
	(1,781.0)	**(143.3)**

27 Employee benefit expense

	For year ended March 31, 2025	For year ended March 31, 2024
Salaries, Wages and Bonus	2,793.9	2,655.2
Share based payments (Refer Note 39)	17.3	16.2
Contribution to Provident and Other Funds (Refer note 36)	203.5	194.8
Gratuity (Refer note 36)	46.8	36.5
Compensated absences	73.8	106.9
Staff welfare expenses	462.5	424.1
	3,597.8	**3,433.7**

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

28 Finance costs

	For year ended March 31, 2025	For year ended March 31, 2024
Interest and finance charges on lease liability (Refer note 3(b))	7.0	12.1
	7.0	**12.1**

29 Depreciation and amortisation expense

	For year ended March 31, 2025	For year ended March 31, 2024
Depreciation of Property, Plant and Equipment (Refer note 3(a))	757.8	669.6
Depreciation on right-of-use assets (Refer note 3(b))	60.5	64.5
Amortisation of Intangible assets (Refer note 5)	2.4	1.9
Depreciation of Investment property (Refer note 4)	10.1	10.0
	830.8	**746.0**

30 Other expenses

	For year ended March 31, 2025	For year ended March 31, 2024
Consumption of stores and spare parts	1,573.8	1,592.0
Power and Fuel	627.7	570.6
Repairs and maintenance		
Building	49.9	43.1
Machinery	566.1	544.9
Royalty	812.9	713.0
IT Services	722.5	773.6
Trade mark fees	509.9	442.8
Rental charges (Refer note 3(b))	14.7	13.4
Insurance	86.3	82.6
Rates and Taxes	11.6	15.8
Travel and conveyance	398.8	334.8
Legal and professional fees	75.3	71.6
Payment to auditors (Refer note I below)	6.4	5.8
Advertising and sales promotion	202.3	231.8
Logistic Cost	536.5	423.8
Provision for bad and doubtful debts	37.1	80.9
Bad debts written off	12.7	9.2
Directors' Commission / Sitting Fees	8.5	7.9
Expenditure incurred for Corporate Social Responsibility (Refer note II below)	135.4	110.9
Miscellaneous expenses	1,593.3	1,240.3
	7,981.7	**7,308.8**

	For year ended March 31, 2025	For year ended March 31, 2024
I) Note : Payments to auditors		
As auditor		
- Statutory audit (including limited reviews)	4.3	4.3
- Other audit services	1.0	1.0

(INR in Million)

	For year ended March 31, 2025	For year ended March 31, 2024
In other capacities		
- Certification fees	1.1	0.5
	6.4	**5.8**

	March 31, 2025	March 31, 2024
II) Corporate social responsibility expenditure		
Details of ongoing CSR projects under Section 135 (6) of the Act		
Amount required to be spent by the company during the year	132.4	110.1
Amount of expenditure incurred	135.4	110.9
(Excess) / Shortfall for the year	(3.0)	(0.8)
Nature of CSR activities:		
Contribution towards Youth Empowerment	51.8	41.4
Contribution towards Women Empowerment	35.5	35.4
Contribution towards Education	19.3	15.6
Others	28.8	18.5
Total	**135.4**	**110.9**
Amount spent during the year on		
(i) Construction/acquisition of an Assets	-	-
(ii) On purpose other than (i) above	135.4	110.9
	135.4	**110.9**
Details of related party transactions	NA	NA
Provision with respect to a liability incurred by entering into a contractual obligation.	NA	NA

31 Income Tax expense

	For year ended March 31, 2025	For year ended March 31, 2024
(a) Current Tax		
Current tax on profit during the year	2,005.0	1,900.4
Adjustments for current tax of prior periods	23.4	-
Total Current Tax expense	2,028.4	1,900.4
Deferred Tax		
Deferred tax expense	(55.5)	(60.2)
Income tax expense	**1,972.9**	**1,840.2**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	7,631.0	7,357.9
Tax at the Indian tax rate of 25.17 %	1,920.7	1,852.0
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
Short provision of tax relating to earlier year	23.4	-
Corporate social responsibility expenditure	34.1	27.9
Others ("Standard deduction , Provision for SME interest, etc.")	(5.3)	(39.7)
Income tax expense	**1,972.9**	**1,840.2**
(c) Tax impact of remeasurement of post employment benefits obligation recognised in OCI	27.0	42.7

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Fair Value Measurement

32 Financial instruments by category

The carrying value and fair value of financial instrument by categories were as follows :

	March 31, 2025		March 31, 2024	
	Amortised Cost	Carrying Amount	Amortised Cost	Carrying Amount
Financial assets				
Investment	90.2	90.2	90.1	90.1
Trade receivables	8,485.8	8,485.8	7,513.3	7,513.3
Cash and bank balances	7,188.2	7,188.2	12,221.1	12,221.1
Loans	1,609.3	1,609.3	1,576.0	1,576.0
Other Financial assets	377.3	377.3	582.9	582.9
Total Financial Assets	**17,750.8**	**17,750.8**	**21,983.4**	**21,983.4**
Financial Liabilities				
Trade Payables	6,629.8	6,629.8	7,131.4	7,131.4
Other Financial Liabilities	1,748.4	1,748.4	1,333.8	1,333.8
Lease Liabilities	69.2	69.2	117.7	117.7
Total Financial Liabilities	**8,447.4**	**8,447.4**	**8,582.9**	**8,582.9**

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.

There are no financial instruments measured under the category of Fair value through Profit and Loss account and Fair value through OCI.

i) 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.

Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2025

	Level 1	Level 2	Level 3	Total March 31, 2025
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**

(INR in Million)

	Level 1	Level 2	Level 3	Total March 31, 2025
Financial Liabilities				
Trade Payables	-	-	6,629.8	6,629.8
Other Financial Liabilities	-	-	1,748.4	1,748.4
Lease Liabilities	-	-	69.2	69.2
Total Financial liabilities	**-**	**-**	**8,447.4**	**8,447.4**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2024

	Level 1	Level 2	Level 3	Total March 31, 2024
Financial assets				
Investment	-	-	90.1	90.1
Trade receivables	-	-	7,513.3	7,513.3
Cash and bank balances	-	-	12,221.1	12,221.1
Loans	-	-	1,576.0	1,576.0
Other Financial assets	-	-	582.9	582.9
Total Financial assets	**-**	**-**	**21,983.4**	**21,983.4**
Financial Liabilities				
Trade Payables	-	-	7,131.4	7,131.4
Other Financial Liabilities	-	-	1,333.8	1,333.8
Lease Liabilities	-	-	117.7	117.7
Total Financial liabilities	**-**	**-**	**8,582.9**	**8,582.9**

(ii) Valuation processes

The Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

33 Financial risk management

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.

33 (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).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

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 follows

	Exchange Rates		Exposure in Foreign Currency	
Financial Assets	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Trade Receivables				
EURO	92.6	90.0	90.3	125.3
USD	85.5	83.4	119.0	263.3
SEK	8.6	7.8	116.4	222.5
SGD	63.7	61.7	222.9	181.6
CNY	11.8	11.5	23.9	63.3
AUD	53.6	54.1	16.2	9.3
THB	2.5	2.3	41.9	80.0
CAD	59.6	61.3	0.1	-
Total			**630.7**	**945.3**
Bank balance in EEFC				
EURO	92.6	90.0	273.2	9.6
USD	85.5	83.4	0.5	28.0
Total			**904.4**	**982.9**

	Exchange Rates		Exposure in Foreign Currency	
Financial Liabilities	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Trade Payables				
EURO	92.6	90.0	2,802.8	2,874.5
USD	85.5	83.4	528.5	535.7
SEK	8.6	7.8	0.3	120.3
GBP	110.8	105.1	0.7	0.1
YEN	0.6	0.6	1.8	4.9
CHF	97.0	92.0	0.1	0.1
SGD	63.7	61.7	32.8	0.9
Total			**3,367.0**	**3,536.5**

ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit after tax	
	March 31, 2025	**March 31, 2024**
EURO sensitivity		
INR/EURO increased by 5 %	(135.6)	(137.5)
INR/EURO decreased by 5 %	135.6	137.5
USD sensitivity		
INR/USD increased by 5 %	(20.5)	(13.6)
INR/USD decreased by 5 %	20.5	13.6

(INR in Million)

	Impact on profit after tax	
	March 31, 2025	**March 31, 2024**
SEK sensitivity		
INR/SEK increased by 5 %	5.8	5.1
INR/SEK decreased by 5 %	(5.8)	(5.1)
SGD sensitivity		
INR/SGD increased by 5 %	9.5	9.1
INR/SGD decreased by 5 %	(9.5)	(9.1)

iii) Interest rate risk

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.

33 (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.

Maturities of financial liabilities

Contractual maturities of financial liabilities	Less than 1 year	1-3 years	Over 3 years
31-Mar-2024			
Lease Liabilities (undiscounted)	80.1	36.2	1.3
Total liabilities	**80.1**	**36.2**	**1.3**

	Less than 1 year	1-3 years	Over 3 years
31-Mar-2025			
Lease Liabilities (undiscounted)	63.4	5.8	-
Total liabilities	**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.

33 (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

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

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 aging 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.

	As at March 31, 2025			As at March 31, 2024		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due (Including unbilled)	7,296.4	-	7,296.4	6,497.3	-	6,497.3
Overdue up to 3 months	1,189.4	-	1,189.4	1,016.0	-	1,016.0
Overdue 3-6 months	31.9	(31.9)	-	21.8	(21.8)	-
Overdue more than 6 months	229.8	(229.8)	-	202.8	(202.8)	-
Total	**8,747.5**	**(261.7)**	**8,485.8**	**7,737.9**	**(224.6)**	**7,513.3**

Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2023	**159.5**
Change in loss allowance	65.1

(INR in Million)

Loss allowance on March 31, 2024	**224.6**
Change in loss allowance	37.1
Loss allowance on March 31, 2025	**261.7**

34 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) Dividends

		March 31, 2025	March 31, 2024
i)	**Equity shares**		
	Dividend paid		
	March 31, 2024 (INR 130 per share)	6,426.9	-
	March 31, 2023 (INR 40 per share)	-	1,977.5
ii)	**Dividends not recognised at the end of reporting period**		
	In addition to the dividend in point (i) above, post year end the directors have recommended the payment of a dividend of INR 14.5 per fully paid equity share (March 31, 2024 – INR 130). This proposed dividend is subject to the approval of shareholders in the Annual General meeting.	716.9	6,426.9

35 Earnings per share (EPS)

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:

	For year ended March 31, 2025	For year ended March 31, 2024
Profit attributable to Equity Shareholders (Rupees in Million)	5,658.1	5,517.7
Basic/Weighted average number of Equity Shares outstanding during the year	49,437,963	49,437,963
Nominal value of Equity Shares (INR)	10.0	10.0
Basic Earnings per share (INR)	114.4	111.6
Diluted Earnings per share (INR)*	114.4	111.6
*There are no dilutive potential equity shares		

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

36 Employee benefits: Post-employment benefit plans

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	For year ended March 31, 2025	For year ended March 31, 2024
Employee Provident Fund - Regional Provident Fund Contribution	59.4	59.1
Superannuation fund	61.2	53.7
	120.6	**112.8**

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 obiligation.

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2023	1,036.4	1,056.7	(20.3)
Current service cost	37.9	-	37.9
Interest cost/income	67.8	69.3	(1.5)
Total amount recognised in profit & loss	105.8	69.3	36.5
Remeasurements			
Return on plan assets less interest on plan assets	-	(5.8)	5.8
changes in demographic assumptions	1.2	-	1.2
(Gain)/loss from change in financial assumptions	5.3	-	5.3
Experience (gains)/losses	156.2	-	156.2
Total amount recognised in other comprehensive income	162.7	(5.8)	168.5
Employer contributions	**-**	**85.4**	**(85.4)**
Benefit payments	(97.3)	(97.3)	-
Closing balance as on March 31, 2024	**1,207.5**	**1,108.3**	**99.2**
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)

(INR in Million)

	Present value of obligation	Fair value of plan assets	Net Amount
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**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2025	March 31, 2024
Present value of funded obligations	1,211.1	1,207.5
Fair value of plan assets	1,149.6	1,108.3
Deficit / (Surplus) of funded plan	61.5	99.2

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2025	March 31, 2024
Discount rate	6.75%	7.25%
Salary growth rate		
for Management employees	10.00%	10.00%
for Non-Management employees	7.00%	7.00%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.00%	30.00%
Age From 31 to 40 years	18.00%	18.00%
Age From 41 to 50 years	11.00%	11.00%
Age From 51 to 59 years	16.00%	16.00%
for Non-Management employees		
Age From 21 to 30 years	1.00%	1.00%
Age From 31 to 40 years	2.00%	2.00%
Age From 41 to 50 years	0.00%	0.00%
Age From 51 to 59 years	9.00%	9.00%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

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 80 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, shortfall recognised in the Statement of Profit and Loss during the year is INR 132.3 million (previous year NIL million).

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2023	2,201.9	2,175.5	26.4
Current service cost	71.1	-	71.1
Interest cost/income	162.3	160.4	1.9
Total amount recognised in profit & loss	233.4	160.4	73.0
Remeasurements			
Return on plan assets less interest on plan assets	-	86.2	(86.2)
(Gain)/loss from change in financial assumptions	70.9	-	70.9
Experience (gains)/losses	(75.7)	-	(75.7)
Total amount recognised in other comprehensive income	(4.8)	86.2	(91.0)
Employer contributions	-	71.1	(71.1)
Employee contributions	148.6	148.6	-
Assets Distributed on Settlements / acquired on acquisition	(9.8)	(9.8)	-
Benefit payments	(197.0)	(197.0)	-
Closing balance as on March 31, 2024	**2,372.3**	**2,435.0**	**(62.7)**
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**

The fair value of plan assets is INR 2,430.7 millions (March 31, 2024 INR 2,435.1 million) and recognized an obiligation INR 132.3 million (March 31, 2024 gain of INR 62.7 million is not recognised).

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2025	March 31, 2024
Present value of funded obligations	2,562.9	2,372.3
Fair value of plan assets	2,430.6	2,435.0
Deficit of funded plan	132.3	(62.7)

(INR in Million)

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2025	March 31, 2024
Discount rate	6.75%	7.25%
Expected rate of return on plan assets	9.98%	8.60%
Discount rate for the remaining term to maturity of the investment	6.65%	7.25%
Average historic yield on the investment	9.88%	8.60%
Guaranteed rate of return	8.25%	8.25%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.00%	30.00%
Age From 31 to 40 years	18.00%	18.00%
Age From 41 to 50 years	11.00%	11.00%
Age From 51 to 59 years	16.00%	16.00%
for Non-Management employees		
Age From 21 to 30 years	1.00%	1.00%
Age From 31 to 40 years	2.00%	2.00%
Age From 41 to 50 years	0.00%	0.00%
Age From 51 to 59 years	9.00%	9.00%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

III **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation					
				Increase in Valuation			Decrease in Valuation	
	March 31, 2025	March 31, 2024		March 31, 2025	March 31, 2024		March 31, 2025	March 31, 2024
Discount rate - Gratuity	0.50%	0.50%	Decrease by	28.0	26.8	Increase by	26.6	(27.1)
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	27.5	26.8	Decrease by	26.4	25.8
RPFC guaranteed rate	1.00%	1.00%	Increase by	12.6	84.2	Decrease by	-	43.9

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.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

IV (a) The major categories of plans assets for Gratuity are as follows:

	March 31, 2025				March 31, 2024			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Debt instruments	7.6	-	7.6	1%	9.5	-	9.5	1%
Government of India securities	136.4	-	136.4	12%	146.4	-	146.4	13%
Sub Total	**144.0**	**-**	**144.0**		**155.9**	**-**	**155.9**	
Insurer Fund	-	994.4	994.4	86%	-	902.9	902.9	81%
Others *	-	11.2	11.2	1%	-	49.5	49.5	4%
Total	**144.0**	**1,005.6**	**1,149.6**	**100%**	**155.9**	**952.4**	**1,108.3**	**100%**

* Includes payable to SKF India Limited

(b) The major categories of plans assets for Provident Fund are as follows:

	March 31, 2025				March 31, 2024			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Equity instruments	296.7	-	296.7	12%	261.5	-	261.5	11%
Debt instruments								
Corporate bonds	228.2	-	228.2	9%	305.3	-	305.3	13%
Government of India securities	1,153.1	-	1,153.1	47%	1,104.3	-	1,104.3	45%
Sub Total	**1,381.3**	**-**	**1,381.3**		**1,409.6**	**-**	**1,409.5**	
Others	-	752.7	752.7	31%	-	761.1	761.1	31%
Total	**1,678.0**	**752.7**	**2,430.7**	**100%**	**1,671.1**	**761.1**	**2,432.2**	**100%**

The weighted average duration of the defined benefit obligation is 4.51 years (March 31, 2024– 4.39 years). The expected maturity analysis of undiscounted gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2025					
Defined benefit obligation	293.1	400.1	450.7	633.4	1,777.4
March 31, 2024					
Defined benefit obligation	284.7	384.8	489.4	640.0	1,798.9

V 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.

(INR in Million)

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.

37 Contingent liabilities and commitments

(to the extent not provided for)

a) Contingent liabilities:

	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debts		
(i) Income-tax *	4,034.2	3,469.6
(ii) Excise & Customs duty	411.5	411.5
(iii) GST, Service Tax and Sales tax	197.6	223.5
(iv) Others	1,177.1	1,144.4
	5,820.4	**5,249.0**

* Including interest of INR 1,427 Million (March 31, 2024 INR 1,342 Million) as per the demand order.

(i) Income Tax :- 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 a Final assessment order for the Financial Year 2019-20 and Financial year 2020-21 (Assessment Year 2020-21 and Assessment year 2021-22) u/s 143(3) read with section 144C(13) read with section 144B of the Income Tax Act, 1961 ("Act") from the Assessing officer resulting in an adjustment of INR 794.65 million and 554.56 million respectively towards Transfer Pricing addition and an adjustment of INR 28.21 million and 36.76 million respectively towards disallowance of claim of health and education cess. The Company has preferred an appeal before the Income-tax Appeallate Tribunal against the adjustment, and the same is pending to be heard.

During the year Company has received the following penalty orders for various years & under the various sections of Income Tax Act, 1961.

1. INR 106 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271(1)C for FY 2014-15.
2. INR 5.7 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271AA(1) for FY 2014-15.
3. INR 15.9 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271AA(1) for FY 2019-20.
4. INR 3.6 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 270(A) for FY 2019-20.

In response to the assessment order, the Company has filed appeals with the Commissioner of Income Tax (Appeals).

(ii) GST Service Tax -Sales Tax :- The Company has outstanding disputes with Indirect Tax authorities mainly relating to VAT, Service tax and GST.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(iii) Customs Duty :- During the previous year 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, 2025.

b) Commitments:

	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances of INR 50 million (March 31, 2024 INR 56.4 million)	757.3	539.7
	757.3	**539.7**

38 (a) Dues to micro and small suppliers

	March 31, 2025	March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note (b) below *	515.9	386.2
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	23.3	34.6
Principal amount paid to suppliers registered under the MSMED Act beyond the appointed day during the year	335.5	297.3
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act for payment already made	5.6	4.6
Further interest remaining due and payable for earlier years	17.7	30.1

*Includes amount of INR 233 million (March 31, 2024 INR 330.7 million) outstanding, but not overdue to micro and small as on March 31, 2025.

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, 2025 and year ended March 31, 2024.

(b) Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company:

Reconciliation to trade payable total outstanding dues of micro and small enterprises and MSME disclosure principal amount :

	March 31, 2025	March 31, 2024
Total Outstanding dues to Micro And Small Enterprises	515.9	386.1
Capital Creditors (Refer note 20)	10.4	15.9
MSME Principal	505.5	370.2

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

39. 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 a maximum of 225 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 allotment of shares shall be related to the level of achievement of the Total Value added (TVA) target level, as defined by the Board of Directors, and the SKF Group Net Zero 2030 objective. 90% of the maximum allocation of shares under the programme is based on the level of TVA increase. The allocation of shares is based on the level of TVA increase during the financial years 2022–2024 compared to the financial year 2021. In order for allocation of shares to take place the TVA increase 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 2024, 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.

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 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.

The inputs used in the measurement of the fair values at grant date of the stock awards were as follows.

Grant Date	30-Apr-21	30-Apr-22	30-Apr-23	30-Apr-24
Exercise Price (SEK)	-	-	-	-
Exercise Price in equivalent INR*	-	-	-	-
Expected Volatality	0.46%	-2.40%	2.17%	0.19%
	3.3%	4.4%	3.7%	3.2%
Expected Life	NA	NA	NA	NA
Risk Free Interest Rate	0.0%	2.6%	2.6%	2.1%

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Grant Date	30-Apr-21	30-Apr-22	30-Apr-23	30-Apr-24
Fair Value per share (SEK)	226.6	139.8	183.0	230.0
Fair Value per share in equivalent INR*	1,798.4	1,109.5	1,426.3	1,967.5
Awards Exercisable at the end of the year	NA	10,147.0	12,538.2	6,128.2
* Converted into INR using exchange rate 8.55				

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*
PSP2021	10,500	30-Apr-21	2024	226.6	1,798.4
PSP2022	23,250	30-Apr-22	2025	139.8	1,109.5
PSP2023	17,250	30-Apr-23	2026	183.0	1,426.3
PSP2024	40,112	30-Apr-24	2027	230.0	1,967.5

*Converted using exchange rate 8.55

Movement in stock awards during the year	Employee Stock Award Plan			
	31-Mar-25		31-Mar-24	
	No. of Awards	Weighted Average Exercise Price	No. of Awards	Weighted Average Exercise Price
Balance at the beginning of year	23,632	NA	14,927	NA
Granted during the year	78,980		58,073	
Adjustment during the year*	(63,299)		(38,868)	
Forfeited during the year	-		-	
Exercised during the year	(10,500)		(10,500)	
Expired during the year	-		-	
Balance at end of year	28,813		23,632	

* Represents adjustments made by AB SKF, the 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.

40. Segment information

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

	March 31, 2025	March 31, 2024
Segment revenue		
Within India	44,398.0	41,325.1
Outside India	4,801.2	4,376.2
	49,199.2	**45,701.3**
Segment assets *		
Within India	7,646.3	6,878.4
Outside India	-	-
	7,646.3	**6,878.4**

* Non Current Assets excludes Deferred Tax assets and Financial Instruments

(INR in Million)

41. The Company has facility from banks for

The Company has sanctioned facility (Fund and non-fund based) amounting to 1,729.4 MINR and 5 MINR. The Company has not utilized fund based facility (working capital / working capital demand loan) at any time during the year.

42. Ind AS 115 :- Revenue from contracts with customers

	March 31, 2025	March 31, 2024
Reconciliation of revenue with contract price :-		
Revenue as per statement of Profit & Loss	49,199.2	45,701.3
Add: Incentive/rebates etc	2,098.5	1,603.1
Add: Discounts	4.0	6.9
Add: Liquidated damages	36.4	43.0
Contract price	**51,338.1**	**47,354.3**

43. Code on Social Security, 2020

The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

44. Related party disclosures

(i) List of Related Parties & relationship:

a) Ultimate Parent Entity / Ultimate Controlling Party and Immediate Parent Entity / Immediate Controlling Party:

Sr. No.	Name of the Related Party
1	Aktiebolaget SKF (AB SKF)

Wholly owned subsidiary:

Sr. No.	Name of the Related Party
2	SKF India (Industrial) Limited

Associates:

Sr. No.	Name of the Related Party
1	Sunstrength Renewables Private Limited
2	CleanMax Taiyo Private Limited

b) Names of the related parties with whom transactions were carried out and description of relationship:

Fellow subsidiary Companies (All under the common control of AB SKF)	
1	SKF GMBH
2	SKF INDUSTRIE SPA
3	SKF Sverige AB
4	SKF USA Inc
5	SKF Argentina S.A.
6	SKF OESTERREICH AG
7	PEER BEARING COMPANY
8	SKF (Xinchang) Bearings and Precision Technologies Co, Ltd.
9	SKF Recondoil AB
10	SKF Metal Stamping S.r.l.

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

11	LINCOLN INDUSTRIAL CORP
12	ALEMITE LLC
13	STEWART WARNER CORPORATION OF CANADA
14	SKF Engineering and Lubrication India Private Limited
15	Blohm Voss Industries (Singapore) Pte Ltd
16	KAYDON CORPORATION
17	COOPER ROLLER BEARINGS COMPANY LTD
18	SKF AB SWEDEN
19	SKF International AB (Treasury Centre), Göteborg
20	SKF MEKAN AB
21	SKF Eurotrade AB
22	SKF DANMARK AS
23	Oy SKF AB
24	SKF (U.K.) Limited
25	SKF FRANCE S.A.
26	RKS S.A.S
27	SKF BELGIUM NV SA
28	SKF ESPANOLA S.A., INT. MARK.
29	RFT SPA
30	SKF CZ a.s.
31	SKF BEARINGS BULGARIA EAD
32	SKF European Distribution Centre (EDC), Tongeren
33	VENTURE AEROBEARINGS LLC
34	BFW COUPLING SERVICES LTD
35	SKF Canada Ltd
36	SKF MAGNETIC BEARINGS
37	SKF DE MEXICO S.A.DE C.V.
38	SKF Sealing Solutions, S.A. DE C.V (DOH)
39	SKF Latin Trade S.A.
40	SKF del Peru S.A.
41	SKF DO BRAZIL LTDA
42	Peer Bearing Company-Changshan
43	SKF TÜRK SANAYI VE TICARET LIMITED
44	SKF Asia Pacific Pte Ltd
45	SKF (Thailand) Ltd, Bangkok
46	SKF Bearing Services Taiwan, Taipei
47	SKF Japan Ltd., Tokyo
48	SKF KOREA LTD.
49	SKF PHILLIPINES INC
50	SKF BEARING INDUSTRIES SDN BHD
51	SKF MALAYSIA SDN.BHD.
52	SKF SEALING SOLUTIONS (WUHU) CO LTD
53	PT SKF INDONESIA
54	SKF Sealing Solutions Korea Co Ltd
55	SKF VIETNAM CO LTD
56	PT SKEFINDO PRIMATAMA

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Fellow subsidiary Companies (All under the common control of AB SKF)	
57	SKF (Shanghai) Automotive Technologies Co Ltd
58	SKF (China) Sales Co Ltd
59	SKF(DALIAN) BEARINGS & PREC.CO
60	SKF (Jinan) Bearing & Precision Technology Co. Ltd.
61	SKF Distribution Shanghai Co Ltd
62	SKF Australia PTY Ltd.
63	PILGRIM INTERNATIONAL LTD.
64	SKF B.V.
65	SKF SEALING SOLUTIONS GMBH
66	SKF SOUTH AFRICA (PTY) LTD.
67	SKF Sealing Solutions Austria GmbH
68	SKF Sealing Solutions (Schweiz) GmbH
69	SKF Economos India Pvt. Ltd
70	SKF FORVALTNING AB
71	SKF CHILENA S.A.I.C.
72	SKF Coupling Systems AB
73	SKF Magnetic Mechatronics SAS
74	SKF SEALS AMERICAS
75	SKF SEALS ITALY SPA
76	SKF Seals Leverkusen
77	Beijing Nankou SKF Railway Bearings Co Ltd
78	M3M SAS
79	Ningbo General Bearing Co Ltd (NGBC)
80	SKF AEROENGINE FRANCE
81	SKF Aerospace France S.A.S
82	SKF Financial Services Poland sp. z o.o
83	SKF MFR Technology
84	SKF POLSKA S.A.
85	SKF PORTUGAL ROLAMENTOS, LDA
86	SKF REINSURANCE CO LTD.
87	VESTA SI SWEDEN AB
88	TENUTE S.R.L
89	SKF CHINA LTD.
90	PSC SKF UKRAINE
91	SKF KENYA LTD.
Interested Entities (Firms / Companies where the close member of KMP of the Company is interested)	
1	Khaitan & Co
2	AZB Partners
3	The Council of EU Chamber
Key Management Personnel	
1	Ms. Anu Wakhlu
2	Mr. Gopal Subramanyam
3	Mr. David Leif Henning Johansson (till 17th September 2024)
4	Mr. Karl Robin Joakim Landholm
5	Ms. Kerstin Enochsson
6	Mr. Manish Bhatnagar (till 13th February 2025)

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

7	Mr. Mukund Vasudevan (w.e.f 8th April 2024)
8	Mr. Shailesh Sharma (w.e.f 13th February 2025)
9	Mr. Ashish Saraf
10	Mr. Ranjan Kumar
Close Member of Key Management Personnel	
1	Udayarkar Rangarajan
2	Nanditha Gopal
Post Employment Benefit Plans	
1	SKF India Limited Provident Fund Scheme
2	SKF Bearings India Limited Superannuation Scheme
3	SKF Bearings India Limited Bangalore Superannuation Scheme
4	SKF Bearings India Limited Employees Gratuity Fund
5	SKF Bearings India Limited Bangalore Employees Gratuity Fund

(ii) Terms and conditions of transactions with related parties:

- 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, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Nil).
- Services rendered include renting services, technical, other services, etc.
- Services received include administrative, IT services, royalty, trade-mark, other services, etc.
- Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

(iii) Disclosure of related party transactions:

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
A	<u>Purchases</u>				
i	Raw Materials, components, spares and Finished Goods	**19,528.5**		**16,041.7**	
	SKF GMBH		3,714.9		3,517.6
	SKF Engineering and Lubrication India Private Limited		4,388.8		3,711.0
	SKF Sverige AB		2,128.4		1,252.0
	SKF France S.A.		1,717.5		1,561.5
	SKF INDUSTRIE SPA		1,172.1		1,105.1
	Others		6,406.8		4,894.5
ii	Property, Plant and Equipment	**200.1**		**62.6**	
	SKF Osterreich AG		53.8		9.2
	SKF Engineering and Lubrication India Private Limited		26.0		36.6
	SKF GMBH		1.0		0.7
	SKF KOREA LTD.		58.6		-
	SKF ESPANOLA S.A., INT. MARK.		42.3		16.1
	Others		18.4		0.0

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Sr. No.		Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
			Amount	Amount	Amount	Amount
B		**Services received**				
	i	Administrative and Service Fees	**47.6**		**33.5**	
		SKF International AB		38.4		23.2
		SKF AB Sweden		1.8		2.7
		SKF GMBH		0.5		0.7
		SKF USA Inc		6.7		-
		Others		0.2		6.9
	ii	IT services	**367.0**		**416.1**	
		AB SKF		367.0		416.1
C		**Royalty**	**812.9**		**713.0**	
		AB SKF		812.9		713.0
D		**Trade Mark Fees**	**509.9**		**442.8**	
		AB SKF		509.9		442.8
E		**Shared based payment**				
		Shared based payment charge	**9.9**		**9.7**	
		SKF AB Sweden		9.9		9.7
F		**Purchase of electricity and others**				
		Electricity charges	**148.3**		**-**	
		Sunstrength Renewables Private Limited		67.4		-
		CleanMax Taiyo Private Limited		80.9		-
G		**Sales**				
	i	Goods and Services	**3,902.3**		**3,630.5**	
		SKF International AB EDC		429.2		615.9
		SKF GMBH		667.3		713.7
		SKF Do Brazil Ltda		141.8		-
		SKF USA Inc		473.4		560.0
		SKF Industrie Spa		96.5		-
		SKF Asia Pacific Pte Ltd		814.3		464.6
		SKF DE MEXICO S.A.DE C.V.		603.1		97.3
		SKF (Thailand) Ltd, Bangkok		220.1		360.2
		Others		456.6		818.7
	ii	Technical and other service income	**708.3**		**628.0**	
		AB SKF		457.4		486.3
		SKF Engineering and Lubrication India Private Limited		117.8		82.0
		Others		133.1		59.7
H		**Other Income**				
	i	Rent Income	**49.5**		**38.4**	
		SKF Engineering and Lubrication India Private Limited		49.5		38.4

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
I	**Reimbursements**				
i	Received	**536.0**		**217.6**	
	SKF Engineering and Lubrication India Private Limited		117.2		167.4
	AB SKF		162.8		2.9
	Others		256.0		47.3
ii	Paid	**21.4**		**2.8**	
	SKF Engineering and Lubrication India Private Limited		19.0		-
	SKF GMBH		1.5		1.4
	SKF Australia PTY Ltd.		0.8		-
	Others		0.1		1.4
J	**Inter Corporate Loan & Interest**				
i	Loan Given	**-**		**900.0**	
	SKF Engineering and Lubrication India Private Limited		-		900.0
ii	Interest Income on Loan	**139.3**		**73.3**	
	SKF Engineering and Lubrication India Private Limited		139.3		73.3
K	**Dividend Paid**	**3,378.9**		**1,039.7**	
	AB SKF		2,946.6		906.6
	SKF (UK) Ltd.		406.8		125.2
	SKF Forvaltning AB		25.5		7.9
L	**Managerial Remuneration :-**	**100.6**		**114.3**	
	Short-term employee benefits		94.9		109.3
	Long-term employee benefits		5.7		4.9
M	**Payment to Directors**	**8.5**		**7.9**	
	Sitting fees & Commission		8.5		7.9
N	**Investment in equity shares of Subsidiary Company**	**0.1**		**-**	
	SKF India (Industrial) Limited		0.1		-
O	**Investment in equity shares of Associate Company**	**-**		**65.4**	
	Sunstrength Renewables Private Limited		-		23.2
	CleanMax Taiyo Private Limited		-		42.2
P	**Post Employment Benefit Plans**				
i	Contributions Paid	**352.0**		**353.7**	
	SKF India Limited Provident Fund Scheme		237.9		219.1
	SKF Bearings India Limited Superannuation Scheme		42.3		40.2
	SKF Bearings India Limited Bangalore Superannuation Scheme		11.6		9.0

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
	SKF Bearings India Limited Employees Gratuity Fund		45.2		54.2
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		-		31.3
ii	Reimbursements Received For Settlements	**126.5**		**103.4**	
	SKF Bearings India Limited Employees Gratuity Fund		87.3		86.2
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		39.2		17.2

(iv) Disclosure of related party balances:

Sr. No.	Nature of transaction / relationship	March 31, 2025		March 31, 2024	
		Amount	Amount	Amount	Amount
1	**Trade receivables**	**922.2**		**930.3**	
	SKF International AB		597.7		891.6
	AB SKF		135.2		-
	Others		189.3		38.7
2	**Other receivable**	**-**		**187.0**	
	AB SKF		-		139.1
	Others		-		47.9
3	**Trade payables**	**4,787.8**		**5,009.7**	
	SKF International AB		2,632.2		2,963.7
	SKF Engineering and Lubrication India Private Limited		952.0		-
	AB SKF		320.9		304.7
	Others		882.7		1,741.3
4	**Loans**	**1,576.0**		**1,576.0**	
	SKF Engineering and Lubrication India Private Limited		1,576.0		1,576.0
5	**Other liabilities**	**120.8**		**-**	
	SKF Brazil		120.8		-
6	**Post Employment Benefit Plans**				
	Other Receivable	**-**		**100.2**	
	SKF Bearings India Limited Employees Gratuity Fund		-		0.0
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		-		-
	SKF Bearings India Limited Employees Gratuity Fund		-		99.4
	SKF Bearings India Limited Superannuation Scheme		-		0.8
	Other Payable	**274.1**		**85.0**	
	SKF Bearings India Limited Employees Gratuity Fund		61.6		23.4
	SKF Bearings India Limited Employees Provident Fund		151.7		19.3
	SKF Bearings India Limited Superannuation Scheme		60.8		42.3
7	**Director's commission**	**6.7**		**6.5**	
			6.7		6.5

NOTES TO THE STANDALONE FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

45. Financial ratios

Ratio	Numerator	Denominator	Current year	Previous year	Change %	Remarks for variance more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	2.8	3.0	-4.5%	Not Applicable
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.00	0.00	-39.2%	This ratio has decreased primarily on account of increase in retained earnings by way of profit for the year and reduction in lease liability.
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	83.9	48.3	73.6%	This ratio has increased primarily on account of increase in retained earnings by way of profit for the year and a reduction in lease liabilities.
Return on equity ratio (in %)	Profit for the year	Average total equity ((Opening + Closing)/2)	21.4%	26.1%	-17.9%	Not Applicable
Inventory Turnover Ratio	COGS	Average Inventory ((Opening + Closing)/2)	3.9	4.1	-5.0%	Not Applicable
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables ((Opening + Closing)/2)	6.2	6.7	-8.2%	Not Applicable
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables ((Opening + Closing)/2)	4.4	5.0	-11.7%	Not Applicable
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.0	2.5	17.7%	Not Applicable
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.5%	12.1%	-4.7%	Not Applicable
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities	29.3%	27.4%	7.2%	Not Applicable
Return on investment (in %)	Profit before tax and finance costs	Average total assets ((Opening + Closing)/2)	21.2%	25.5%	-16.9%	Not Applicable

(INR in Million)

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 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 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 not consummated yet and is subject to the requisite approvals, the scheme has not been given effect to in these financial statement.

(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, 2025 (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.

47. 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 :- Gothenberg

Mukund Vasudevan
Managing Director
DIN :-05146681
Place :- Gothenberg

Ashish Saraf
Chief Financial Officer
PAN :-AVEPS0176L
Place :- Bengaluru

Ranjan Kumar
Company Secretary
PAN :-AMEPK5869R
Place :- Pune

Date: May 15, 2025

SKF

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 March 31, 2025, 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 auditors on separate financial statements subsidiary referred to in the Other Matter 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 March 31, 2025, and their consolidated profit, their consolidated total 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, 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 auditors in terms of their reports referred to in the sub-paragraphs (a) and (b) of the Other Matter section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matter

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. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Evaluation of uncertain tax position pertaining to Transfer Pricing Matters** (Refer to Note 37 to the consolidated financial statements) The Parent has a material uncertain tax positions pertaining to Transfer Pricing related matters. The management's assessment as supported by their tax experts' views is that no provision is required against these matters. These matters involve significant management judgement and estimation to determine the likelihood and timing of the cash outflows and interpretations of the legal aspects, tax legislations and judgements previously made by income tax authorities.	Principal audit procedures performed included the following: • We assessed management's processes and tested the internal controls implemented for the identification, recognition and measurement of tax positions and its assessment with respect to interpretations of the legal aspects, tax legislations and judgements previously made by income tax authorities to determine the likelihood of the cash outflows; • We received a year-wise statement of all ongoing disputes/ litigations along with the initial notice/ Order from income tax department and supporting evidencing the dispute / litigation;

INDEPENDENT AUDITOR'S REPORT (contd.)

Sr. No.	Key Audit Matter	Auditor's Response
		• We obtained and verified management's assessments on the dispute / litigated matters, including advice/ opinion obtained from external consultants/legal advisors, where applicable, with respect to likelihood and/or timing of the cash outflows; • We have also obtained independent external confirmation from the Parent's tax consultant; • We involved our internal specialist to independently validate the management's position on the disputes / litigated matters and to consider management assessment in evaluating its position on these tax positions; We have assessed the adequacy of disclosures provided in the consolidated financial statements.

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 Management Discussion and Analysis and Board's Report including Annexures to Board's Report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Management's Report and Analysis is expected to be made available to us after the date of this auditor's report.
- Our opinion on the consolidated financial statements does not cover the other information and will 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 identified above when it becomes available, compare with the financial statements of the subsidiary audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors 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 subsidiary, 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.
- When we read the Management Discussion and Analysis and Board's Report Including Annexures to Board's Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

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 auditors, such other auditors 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

The consolidated financial statements include the Group's share of net loss of Rs. 1.7 million for the year ended March 31, 2025, as considered in the consolidated financial statements, in respect of two associates, 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 associates, 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.

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 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 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 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, except in relation to compliance with the requirements of audit trail, refer paragraph (k)(vi) below.

    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 March 31, 2025, taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group companies, its associate companies incorporated in India is disqualified as on March 31, 2025, 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, subsidiary company incorporated in India. 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 subsidiary company incorporated in India, the remuneration paid by the Parent and such subsidiary 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. 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent, 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 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 subsidiary respectively that, to the best of their knowledge and belief, other than 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 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 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 subsidiary respectively that, to the best of their knowledge and belief, other than as disclosed in the note 46 to the consolidated financial statements, no funds have been received by the Parent or any of such subsidiary 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 subsidiary 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

INDEPENDENT AUDITOR'S REPORT (contd.)

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 respective 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, the Parent, has used accounting softwares for maintaining their respective books of account for the financial year ended March 31, 2025, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software(s). Further, during the course of audit, we have not come across any instance of the audit trail feature being tampered with.

In respect of a subsidiary, where the accounting software has not been used by the Company for maintaining its books of account for the year ended March 31, 2025; accordingly reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2024 is not applicable to the Company.

In respect of two associates where the accounts are unaudited, we are unable to comment on the reporting requirement under Rule 11 (g).

Additionally, the audit trail has been preserved by the Parent as per the statutory requirements for record retention.

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 auditors of respective companies 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 those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements. Further, in respect of the following companies 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 those companies are not available and consequently have not been provided to us as on the date of this audit report:

Name of the company	CIN	Nature of relationship
Sunstrength Renewables Private Limited	U40106MH2020PTC337107	Associate
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: 25102637BMKSMS7309

Place: Pune
Date: May 15, 2025

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 Ind AS financial statements of the Company as at and for the year ended March 31, 2025, 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 the its subsidiary which are companies incorporated in India, as of that date. Reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to consolidated financial statements is not applicable to the associate incorporated in India namely Sunstrength Renewables Private Limited and Clean Max Taiyo Private Limited, pursuant to MCA notification GSR 583(E) dated 13 June 2017, 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 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, 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 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, its subsidiary 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 transactions and dispositions of the assets of the company;

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (contd.)

(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 Matter paragraph below, the Parent, its subsidiary 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 March 31, 2025, 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.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Kedar Raje
Partner
(Membership No. 102637)
UDIN: 25102637BMKSMS7309

Place: Pune
Date: May 15, 2025

CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2025

(INR in Million)

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current Assets			
Property, plant and equipment	3(a)	5,205.4	4,377.5
Right-of-use assets	3(b)	51.2	94.0
Capital work-in-progress	3(a)	556.4	886.9
Investment properties	4	241.1	250.7
Other Intangible assets	5	10.3	1.5
Financial assets			
Investments	6	91.0	89.2
Loans	7	1,576.0	1,576.0
Others Financial assets	8	338.7	337.3
Deferred tax assets (net)	9	391.2	311.1
Non- Current Tax Asset (net)	10	416.9	289.9
Other non-current assets	11	1,074.8	887.8
Total non-current assets		**9,953.1**	**9,101.9**
Current Assets			
Inventories	12	8,733.3	6,838.8
Financial Assets			
Trade receivables	13	8,485.5	7,513.3
Cash and cash equivalents	14	7,107.7	12,174.6
Bank balance other than above	15	80.6	46.5
Loans	7	33.3	-
Others Financial assets	8	38.6	245.6
Other Current Assets	11	1,206.0	593.3
Total current assets		**25,685.0**	**27,412.1**
TOTAL ASSETS		**35,638.0**	**36,514.0**
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	494.4	494.4
Other Equity	17	25,485.3	26,333.1
Total Equity		**25,979.7**	**26,827.5**
LIABILITIES			
Non-current liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	5.8	37.5
Provisions	18	549.4	369.4
Total non-current liabilites		**555.2**	**406.9**
Current Liabilities			
Financial Liabilities			
Lease Liabilities	3(b)	63.4	80.1
Trade Payables	19		
Outstanding dues of micro and small enterprises		505.5	370.2
Outstanding dues other than micro and small enterprises		6,124.6	6,761.2
Other Financial liabilities	20	1,748.3	1,333.8
Provisions	18	429.6	475.7
Other current liabilites	21	231.7	258.6
Total current liabilities		**9,103.1**	**9,279.6**
Total Liabilities		**9,658.3**	**9,686.5**
TOTAL EQUITY AND LIABILITIES		**35,638.0**	**36,514.0**
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

The accompaning 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 15, 2025

For and on behalf of the Board of Directors of
SKF India Limited

Gopal Subramanyam
Chairman
DIN :- 06684319
Place :- Gothenberg

Mukund Vasudevan
Managing Director
DIN :- 05146681
Place :- Gothenberg

Ashish Saraf
Chief Financial Officer
PAN :-AVEPS0176L
Place :- Bengaluru

Ranjan Kumar
Company Secretary
PAN :-AMEPK5869R
Place: - Pune

Date: May 15, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

FOR THE YEAR ENDED MARCH 31, 2025

(INR in Million)

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
1 Revenue from Operations	22	49,199.2	45,701.3
Other Income	23	1,014.5	940.1
Total Income		**50,213.7**	**46,641.4**
2 Expenses			
(a) Cost of materials consumed	24	12,472.7	11,600.7
(b) Purchases of stock-in-trade	25	19,473.7	16,325.5
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(1,781.0)	(143.3)
(d) Employee benefit expense	27	3,597.8	3,433.7
(e) Finance costs	28	7.0	12.1
(f) Depreciation and amortisation expense	29	830.8	746.0
(g) Other expenses	30	7,982.4	7,308.8
Total Expenses		**42,583.4**	**39,283.5**
3 Profit before Share of net profit/(loss) of associates accounted for using the equity method and tax (1 - 2)		**7,630.3**	**7,357.9**
4 Share of net profit/(loss) of associates accounted for using the equity method		**1.7**	**0.3**
5 Profit before tax (3 + 4)		**7,632.0**	**7,358.2**
6 Income tax expense :			
Current tax (including tax relating to earlier years)	31	2,028.4	1,900.4
Deferred tax (credit)	9	(55.5)	(60.2)
Total tax expense		**1,972.9**	**1,840.2**
7 Profit for the year (5 - 6)		**5,659.1**	**5,518.0**
8 Other comprehensive income			
Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefits obligation	36	(107.1)	(169.5)
Income tax credit relating to these items	9	27.0	42.7
Other comprehensive (loss) for the year (net of tax)		**(80.1)**	**(126.8)**
9 Total comprehensive income for the year (7 + 8)		**5,579.0**	**5,391.2**
10 Earnings per equity share [nominal value of share INR 10]			
(previous year : INR 10)	35		
Basic and Diluted EPS		114.5	111.6
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

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Chartered Accountants
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Chief Financial Officer
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Place :- Bengaluru

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Company Secretary
PAN :-AMEPK5869R
Place: - Pune

Date: May 15, 2025

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED MARCH 31, 2025

A) Equity Share Capital

(INR in Million)

Particulars	Notes	Amount
March 31, 2024	16	
Balance as at March 31, 2023		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, 2024		**494.4**
March 31, 2025	16	
Balance as at March 31, 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**

B) Other Equity

(INR in Million)

Particulars	Retained earnings	Capital redemption reserve	General reserve	Total Other Equity
Balance as at March 31, 2023	20,047.6	32.9	2,838.9	22,919.4
Profit for the year ended March 31, 2024	5,518.0	-	-	5,518.0
Other comprehensive income for the year ended March 31, 2024	(126.8)	-	-	(126.8)
Total comprehensive income for the year ended March 31, 2024	**5,391.2**	**-**	**-**	**5,391.2**
Transactions with owners in their capacity as owners				
Dividend paid (INR 40 per share)	(1,977.5)	-	-	(1,977.5)
Balance as at March 31, 2024	**23,461.3**	**32.9**	**2,838.9**	**26,333.1**
Profit for the year ended March 31, 2025	5,659.1	-	-	5,659.1
Other comprehensive income for the year ended March 31, 2025	(80.1)	-	-	(80.1)
Total comprehensive income for the year ended March 31, 2025	**5,579.0**	**-**	**-**	**5,579.0**
Transactions with owners in their capacity as owners				
Dividend paid (INR 130 per share)	(6,426.9)	-	-	(6,426.9)
Balance as at March 31, 2025	**22,613.4**	**32.9**	**2,838.9**	**25,485.3**

Material accounting policies 1

Significant accounting judgements, estimates and assumptions 2

The accompaning 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
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Date: May 15, 2025

CONSOLIDATED CASHFLOW STATEMENT

FOR THE YEAR ENDED MARCH 31, 2025

(INR in Million)

	For the year ended March 31, 2025	For the year ended March 31, 2024
A. Cash flow from Operating Activities		
Profit before tax	7,632.0	7,358.2
Adjusted for :		
Depreciation and amortisation expenses	830.8	746.0
Provision for bad and doubtful debts	49.8	90.1
Provision for other receivables	(6.1)	43.0
Profit on sale of Property Plant & Equipment (net)	(0.4)	(8.1)
Finance costs	7.0	12.1
Interest income		
- Fixed deposits with banks	(589.4)	(639.4)
- On loan given to related party	(139.3)	(73.3)
Share of net profit of associate	(1.7)	(0.3)
	150.7	170.1
Operating Profit before working capital changes	**7,782.7**	**7,528.3**
Adjusted for :		
(Increase) / Decrease in inventories	(1,894.5)	21.5
(Increase) / Decrease in trade receivables	(1,022.1)	(816.9)
(Increase) / Decrease in current & non-current assets	(409.5)	361.6
(Decrease) / Increase in trade payables	(500.8)	1,052.7
Increase in other liabilities and provisions	421.6	76.5
	(3,405.3)	695.4
Cash generated from operations	**4,377.4**	**8,223.7**
Income taxes paid	(2,346.7)	(1,982.8)
Net cash flow from Operating Activities (A)	**2,030.7**	**6,240.9**
B. Cash flow from Investing Activities		
Investment in associate companies	-	(65.3)
Payments for Property Plant & Equipment (Including Capital Work-in-progress)	(1,313.4)	(1,303.9)
Payments for Investment properties	(0.5)	(31.5)
Proceed from sale of Property Plant & Equipment	6.4	22.8
Interest Received	603.2	623.1
Interest received on loan to related party	139.3	73.3
Loan to related party and Others	(33.3)	(900.0)
Net cash outflow from Investing Activities (B)	**(598.3)**	**(1,581.5)**
C. Cash flow from Financing Activities		
Dividend paid	(6,427.0)	(1,974.0)
Repayment of lease liability	(73.1)	(63.6)
Net cash outflow from Financing Activities (C)	**(6,500.1)**	**(2,037.6)**
Net changes in Cash and Cash Equivalents (A+B+C)	**(5,067.7)**	**2,621.8**
Cash and Cash Equivalents at beginning of the year	12,174.6	9,552.6
Effects of exchange rate changes on cash and cash equivalents	0.8	0.2
Cash and Cash Equivalents at the end of the year	7,107.7	12,174.6
Net changes in Cash and Cash Equivalents	**(5,067.7)**	**2,621.8**
Material accounting policies	1	
Significant accounting judgements, estimates and assumptions	2	

The accompaning 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 15, 2025

For and on behalf of the Board of Directors of SKF India Limited

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Company Secretary
PAN :-AMEPK5869R
Place: - Pune

Date: May 15, 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS AT AND FOR THE YEAR ENDED MARCH 31, 2025

Background

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, Bangalore & Haridwar.

The consolidated financial statements comprise the financial statements of SKF India Limited and its subsidiary company (jointly referred to as the 'Group') and its associates company (Refer Note 46 to the attached consolidated financial statements).

1 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these consolidated 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 consolidated 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 consolidated 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;

The consolidated financial statements of the Group for the year ended March 31, 2025 were authorised for issue in accordance with the resolution of the Board of Directors on May 15, 2025.

iii) Basis of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the company and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

b) Associates

Associates are all entities over which the company has significant influence but not control or joint control. This is generally the case where the company holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting after initially being recognised at cost.

c) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the company's share of the post-acquisition profits or losses of the investee in profit and loss, and the company's share of other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

amount of the investment. When the company's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the company does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. Unrealised gains on transactions between the company and its associates are eliminated to the extent of the company's interest in this entity. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the company. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy of the Company.

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 Group's board of Directors.

1.3 Foreign currency translation

i) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated 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 consolidated statement of profit or loss on net basis.

All other foreign exchange gains and losses are presented in the consolidated 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

The Group recognized the revenue 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.

<u>Revenue recognition policy</u>

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.

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.

1.5 Income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted by the end of the reporting period. Management periodically evaluates position taken in tax return under applicable tax regulations which is subject to interpretation. It establishes appropriate tax provisions on likely tax liabilities for the accounting period.

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.

Current and deferred tax is recognised in consolidated statement of 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 consolidated 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.

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

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 consolidated statement of 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 consolidated statement of profit or loss under 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.

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.

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 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. 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 reflectsthe 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 Group, 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 consolidated statement of 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 consolidated statement of 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 consolidated statement of 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 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 consolidated balance sheet based on their nature.

1.13 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.

1.14 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.

1.15 Post employment benefits

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 consolidated 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 consolidated statement of profit or loss.

The obligations are presented as current liabilities in the consolidated 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 the Group Provident Fund Scheme)

b) defined contribution plans such as superannuation and provident fund (for other employees who are not members of the Group Provident Fund Scheme)

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 the Group Provident Fund Scheme ('the Trust') contribution for provident fund to the 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 consolidated 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 Consolidated statement of profit or loss as past service cost.

Defined contribution plans

Contributions to the Provident Fund and Superannuation Fund which are defined contribution schemes, are recognised as an expense in the consolidated statement of Profit and Loss in the period in which the contribution is due. For employees other than members of the Group 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 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 consolidated 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 consolidated statement of Profit and Loss in the year in which they are incurred.

1.16 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.

1.17 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.

1.18 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

b) the amount of the obligation cannot be measured with sufficient reliability

1.19 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 Significant accounting judgements, estimates and assumptions

The preparation of the Group's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provide an overview of the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is mentioned below.

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 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 32 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 36(II).

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 capiltalisation 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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified amendments to the leases standard (IND AS 116) for sale-and-leaseback transactions. The amendments impact how a seller-lessee accounts for variable lease payments that arise in a sale-and-leaseback transaction, in situations, where some or all the lease payments are variable lease payments, in particular, where the variability does not relate to an index or a rate.

This amendment does not have any material impact on the amounts recognized in the prior periods and are not expected to significantly affect the current or future periods.

(INR in Million)

3 (a) Property Plant and Equipment (Refer Note-47(x))

Description	Freehold Land	Building	Furniture & Fixtures **	Office Equipment	Plant & Machinery **	Vehicles	Total	Capital work in progress
Year ended March 31, 2024								
Gross carrying amount as at April 1 , 2023	269.1	726.5	214.1	106.3	6,261.9	128.2	7,706.1	633.8
Additions	-	40.6	28.6	14.8	1,043.2	60.0	1,187.2	1,440.3
Disposals	-	(1.8)	-	-	(6.4)	(39.1)	(47.3)	-
Transfers	-	-	-	-	-	-	-	(1,187.2)
Closing gross carrying amount	**269.1**	**765.3**	**242.7**	**121.1**	**7,298.7**	**149.1**	**8,846.0**	**886.9**
Accumulated Depreciation as at April 1 , 2023	-	177.1	178.7	73.7	3,358.4	43.4	3,831.5	-
Depreciation charged during the year	-	26.3	16.9	18.3	575.6	32.5	669.6	-
Disposals	-	(0.0)	-	-	(4.4)	(28.2)	(32.6)	-
Closing accumulated depreciation	-	203.4	195.6	92.0	3,929.6	47.7	4,468.5	-
Net carrying amount as at March 31, 2024	**269.1**	**561.9**	**47.1**	**29.1**	**3,369.1**	**101.4**	**4,377.5**	**886.9**
Year ended March 31, 2025								
Gross carrying amount 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	22.1	1,339.3	80.4	1,591.5	1,261.0
Disposals*	-	-	(0.0)	(0.0)	(5.2)	(13.8)	(19.0)	-
Transfers	-	-	-	-	-	-	-	(1,591.5)
Closing gross carrying amount	269.1	903.7	254.1	143.1	8,632.8	215.7	10,418.5	556.4
Accumulated Depreciation 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)	-
Closing accumulated depreciation	-	230.8	216.8	110.2	4,575.6	79.7	5,213.1	-
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**

*The balance is less than one million.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

3 (a) Property Plant and Equipment (Refer Note-47(x)) (contd.)

Ageing of CWIP:

	March 31, 2024				
	Amounts in capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	841.5	40.6	3.1	1.7	**886.9**
Projects temporarily suspended	-	-	-	-	**-**
Total	**841.5**	**40.6**	**3.1**	**1.7**	**886.9**

	March 31, 2025				
	Amounts in capital work-in-progress for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	541.8	14.1	0.5	-	**556.4**
Projects temporarily suspended	-	-	-	-	**-**
Total	**541.8**	**14.1**	**0.5**	**-**	**556.4**

** The Group has leased following assets to SKF Engineering and Lubrication India Private Limited (related party) [formerly known as SKF Technologies (India) Private Limited] 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
Year ended March 31, 2024		
Gross carrying amount as at April 1 , 2023	60.2	7.0
Additions	-	1.4
Closing gross carrying amount	60.2	8.4
Accumulated Depreciation as at April 1 , 2023	53.2	4.9
Depreciation charged during the year	1.5	0.3
Closing accumulated depreciation	54.7	5.2
Net carrying amount as at March 31, 2024	**5.5**	**3.2**
Year ended March 31, 2025		
Gross carrying amount as at April 1 , 2024	60.2	8.4
Addition	-	-
Closing gross carrying amount	60.2	8.4
Accumulated Depreciation as at April 1 , 2024	54.7	5.2
Depreciation charged during the year	1.5	0.3
Closing accumulated depreciation	56.2	5.5
Net carrying amount as at March 31, 2025	**4.0**	**2.9**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(b) Leases

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.

i) Amounts recognised in the consolidated balance sheet

The consolidated balance sheet shows the following amounts relating to lease:

Right-of-use of assets	March 31, 2025	March 31, 2024
Buildings at various location	51.2	94.0
Total	**51.2**	**94.0**

Lease Liabilities	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Buildings	63.4	**5.8**	**80.1**	**37.5**
Total	**63.4**	**5.8**	**80.1**	**37.5**

ii) Movement in Right-of-use assets:

Description	Amount
Year ended March 31, 2023	
Gross carrying amount as at April 1 , 2023	350.9
Additions	24.8
Closing gross carrying amount	375.7
Accumulated amortization as at April 1 , 2023	217.2
Amortised during the year	64.5
Closing accumulated amortization	281.7
Net carrying amount as on March 31, 2024	**94.0**
Year ended March 31, 2025	
Gross carrying amount as at April 1 , 2024	375.7
Additions	17.7
Closing gross carrying amount	393.4
Accumulated amortization as at April 1 , 2024	281.7
Amortised during the year	60.5
Closing accumulated amortization	342.2
Net carrying amount as on March 31, 2025	**51.2**

iii) Movement in Lease Liability:

Description	March 31, 2025	March 31, 2024
At the commencement of the year	117.6	144.4
Additions during the year	24.8	24.8
Payments made during the year	(73.2)	(51.6)
Closing Balance	69.2	117.6

iv) Amounts recognised in the Statement of Profit & Loss :

The consolidated statement of profit and loss shows the following amounts relating to lease:

Description	March 31, 2025	March 31, 2024
Depreciation charge on right-of-use assets	60.5	64.5
Interest expense (included in Finance cost)	7.0	12.1
Expense relating to short-term leases /leases of low-value assets (Refer Note 30)	14.7	13.4
Total	**82.2**	**90.0**

The total cash outflow for leases for the year was INR 73.2 Million (March 31, 2024 was INR 51.6 Million).

For maturity profile of lease liability refer note 33(B).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

4 Investment properties

Description	March 31, 2025	March 31, 2024
Gross carrying amount		
Opening gross carrying amount	317.6	286.1
Additions during the year	0.5	31.5
Closing gross carrying amount	318.1	317.6
Accumulated depreciation		
Opening accumulated depreciation	66.9	56.9
Depreciation for the year	10.1	10.0
Closing accumulated depreciation	77.0	66.9
Net carrying amount	**241.1**	**250.7**

Amount recognised in statement of profit and loss for investment properties given on operating lease to related party

Description	March 31, 2025	March 31, 2024
Rental Income	49.5	38.4
Depreciation	10.1	10.0
Profit arising from Investment properties	**39.4**	**28.4**

Leasing arrangements

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Description	March 31, 2025	March 31, 2024
Within one year	38.4	38.4
Later than one year but less than 5 year	153.6	153.6
More than 5 years	67.2	105.6

Fair Value

Description	March 31, 2025	March 31, 2024
Investment properties	571.0	513.0

The Group has 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.

There is no impairment in respect of Investment properties and valuation method remain unchanged.

5 Other Intangible assets (Acquired)

Description	Computer Software
Year ended March 31, 2023	
Gross carrying amount as at April 1 , 2023	11.0
Additions	0.2
Disposals/Write off	0.7
Closing gross carrying amount	10.5

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Description	Computer Software
Accumulated amortization as at April 1 , 2023	7.8
Amortised during the year	1.9
Disposals/Write off	0.7
Closing accumulated amortization	9.0
Net carrying amount as on March 31, 2024	**1.5**
Year ended March 31, 2024	
Gross carrying amount as at April 1 , 2024	10.5
Additions	11.2
Disposals/Write off	-
Closing gross carrying amount	21.7
Accumulated amortization as at April 1 , 2024	9.0
Amortised during the year	2.4
Disposals/Write off	-
Closing accumulated amortization	11.4
Net carrying amount as on March 31, 2025	**10.3**

6 Financial Assets

Investments	March 31, 2025	March 31, 2024
Unquoted investment in associates accounted for using the equity method		
Sunstrength Renewables Private Limited		
599,625 equity shares (March 31, 2024 - 599,625) of INR 10/- each fully paid	57.3	51.9
CleanMax Taiyo Private Limited		
28,867 equity shares (March 31, 2024 - 28,867) of INR 10/- each fully paid	33.6	37.3
	91.0	**89.2**

During the year ended March 31, 2021, the Group 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 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 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 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

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Loan to related party* [refer note 44(iv)]	-	1,576.0	-	1,576.0
Loan to others**	33.3	-	-	-
	33.3	**1,576.0**	**-**	**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 TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	
	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good [refer note below]		
Other related parties	1,576.0	**100%**
Total	**1,576.0**	**100%**

	March 31, 2024	
	Amount outstanding	% to the total loans and advances in the nature of loans
Loans - Secured, considered good [refer note below]		
Other related parties	1,576.0	**100%**
Total	**1,576.0**	**100%**

Note - Loan given to SKF Engineering and Lubrication India Private Limited (a fellow subsidiary) (formerly known as SKF Technologies (India) Private Limited) with original repayment starting from financial year 2014 onwards. During the previous year, the repayment terms of the loan are extended till 2029.

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. 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.

8 Other Financial assets

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Security Deposits	-	111.0	-	109.8
EMD and other deposits				
- Unsecured, considered good	-	227.5	-	227.5
- Unsecured, considered doubtful	-	136.0	-	112.2
	-	363.5	-	339.7
Less: Allowance for doubtful deposits	-	(136.0)	-	(112.2)
	-	227.5	-	227.5
Gratuity Asset	-	-	-	-
Other receivables				
Related party (refer note 44 (iv))	-	-	186.9	-
Other than related party	7.8	0.2	14.1	-
Interest accrued:				
On fixed deposits with banks	30.8	-	44.6	-
	38.6	**338.7**	**245.6**	**337.3**

(INR in Million)

9 Deferred tax asset / (liabilities) net

	March 31, 2025	March 31, 2024
Deferred tax assets		
Provision for employee benefits	178.2	138.3
Provision for doubtful trade receivables	69.7	60.4
Provision for Obsolete stock	80.4	61.0
Written down value of Property, plant and equipment	0.3	0.4
Other timing differences	62.6	51.0
	391.2	**311.1**
Deferred tax liabilities		
	-	**-**
Net deferred tax assets	**391.2**	**311.1**

Movements in deferred tax asset/(liabilities) net

	Provision for employee benefits	Provision for doubtful trade receivables	Provision for Obsolete stock	Written Down Value of Property, plant and equipment	Other timing differences	Total
As at April 1, 2023	72.4	40.1	54.5	(4.6)	45.9	208.3
(Charged)/credited :						
- to profit and loss a/c	23.2	20.3	6.5	5.0	5.1	60.2
- to other comprehensive income	42.7	-		-	-	42.7
As at March 31, 2024	138.3	60.4	61.0	0.4	51.0	311.1
(Charged)/credited :						
- to profit and loss a/c	12.9	9.3	19.4	(0.1)	11.6	53.1
- to other comprehensive income	27.0	-		-	-	27.0
As at March 31, 2025	**178.2**	**69.7**	**80.4**	**0.3**	**62.6**	**391.2**

10 Non- Current Tax Asset (net)

	March 31, 2025	March 31, 2024
Tax Assets (net of provision INR 24,228 millions, March 31, 2024 - INR 22,591 millions)	416.9	289.9
	416.9	**289.9**

Movement of Tax

	March 31, 2025	March 31, 2024
Opening Balance (Tax Asset /(Liability) (Net))	289.9	207.4
Add: Taxes paid	2,155.4	1,982.9
Less: Provision for Income tax	(2,005.0)	(1,900.4)
Less: Current Tax adjustment of ealier years	(23.4)	-
Closing Balance	**416.9**	**289.9**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

11 Other assets

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Capital Advance	-	57.5	-	56.4
Prepaid Expenses	153.1	14.7	124.9	20.6
Advances for supply of goods and rendering of services	272.7	-	80.1	-
Export benefits / duty entitlements				
- Unsecured, considered good	18.5	-	14.3	-
- Unsecured, considered doubtful	3.1	-	33.0	-
	21.6	-	47.3	-
Less: Allowance for doubtful receivables	(3.1)	-	(33.0)	-
	18.5	-	14.3	-
Balances with Sales tax / Excise authorities	636.6	-	370.6	-
Amount paid under protest/dispute				
- Direct Tax	-	950.5	-	759.3
- Indirect Tax	-	52.1	-	51.5
	-	1,002.6	-	810.8
Other receivables				
- Unsecured, considered good	125.1	-	3.4	-
- Unsecured, considered doubtful	-	4.9	-	4.9
	125.1	4.9	3.4	4.9
Less: Allowance for doubtful receivables	-	(4.9)	-	(4.9)
	125.1	-	3.4	-
	1,206.0	**1,074.8**	**593.3**	**887.8**

Current Assets

12 Inventories at cost or NRV whichever is lower (FIFO)

	March 31, 2025	March 31, 2024
Raw Materials and Bought-Out Components	848.5	670.3
including material in transit INR 121.44 millions (March 31, 2024 INR 87.8 millions)		
Stores and Spares	593.9	658.6
including material in transit INR 42.58 millions (March 31, 2024 INR 53.8 millions)		
Work-in-progress	33.9	29.9
Finished Products	7,257.0	5,480.0
including Goods in transit INR 1,454.43 millions (March 31, 2024 INR 1,145.0 millions)		
	8,733.3	**6,838.8**

The cost of inventories recognised as an expense during the year in respect of continuing operations was INR 261.5 million (March 31, 2024 INR 245.5 million).

13 Trade receivables

	March 31, 2025	March 31, 2024
Trade receivables from contract with customers – billed	7,609.4	6,793.8
Trade receivables from contract with customers – unbilled	215.9	13.8
Trade receivables from contract with customers – related parties	921.9	930.3

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	March 31, 2024
Less: Loss allowance	(261.7)	(224.6)
Total receivables	**8,485.5**	**7,513.3**
Current portion	8,485.5	7,513.3
Non-current portion	-	-
	8,485.5	**7,513.3**
Break-up of security details		
Trade receivables considered good – unsecured	8,485.5	7,513.3
Trade receivables which have significant increase in credit risk	-	224.6
Trade receivables – credit impaired	261.7	-
Total	**8,747.2**	**7,737.9**
Loss allowance	(261.7)	(224.6)
Total trade receivables	**8,485.5**	**7,513.3**

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

Aging of trade receivables:

	March 31, 2025							
	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
Undisputed trade receivables								
considered good other than related parties	55.1	6,376.2	1,132.3	-	-	-	-	**7,563.6**
considered good - related parties (Refer note 44 (iv))	160.8	704.0	32.2	19.3	-	3.9	1.7	**921.9**
which have significant increase in credit risk	-	-		-	-	-	-	**-**
credit impaired	-	-	56.8	-	-	-	-	**56.8**
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	**-**
which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
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 receivables								**8,485.5**

	March 31, 2024							
	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
Undisputed trade receivables								
considered good other than related parties	13.8	5,556.3	990.1	22.9	-	-	-	**6,583.1**
considered good - related parties (Refer note 44 (iv))	-	927.2	-	3.1	-	-	-	**930.3**
which have significant increase in credit risk	-	-	47.7	-	-	-	-	**47.7**
credit impaired	-	-	-	-	-	-	-	**-**
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	**-**
which have significant increase in credit risk	-	-	-	59.3	22.9	25.0	69.6	**176.8**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2024							
	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
credit impaired	-	-	-	-	-	-	-	-
Total	**13.8**	**6,483.5**	**1,037.8**	**85.3**	**22.9**	**25.0**	**69.6**	**7,737.9**
Less: Loss allowance								**(224.6)**
Total receivables								**7,513.3**

14 Cash and cash equivalents

	March 31, 2025	March 31, 2024
Balances with Banks		
- On Current Account	435.3	185.9
- On EEFC Account	273.6	37.7
On Deposit Account (with original maturity of 3 months or less)	6,398.8	11,951.0
	7,107.7	**12,174.6**

15 Bank balances other than the above

	March 31, 2024	March 31, 2023
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*	80.1	46.0
	80.6	**46.5**

*Unclaimed dividend account represent amounts held for dividend remittance . Amounts held for divided remittance are not available for use.

16 Equity Share Capital

	No of shares (in million)	Amount
Authorised Equity share capital		
As at March 31, 2023	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2024	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2025	**100.0**	**1,000.0**
Movement in issued, subscribed and paid up Equity share capital		
As at March 31, 2023	49.4	494.4
Changes during the year	-	-
As at March 31, 2024	49.4	494.4
Changes during the year	-	-
As at March 31, 2025	**49.4**	**494.4**

The Group 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.

(INR in Million)

Shares of the company held by holding company and their subsidiaries

	March 31, 2025		March 31, 2024	
	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	22.7	226.7
(b) Subsidiaries of holding company				
SKF U.K. Limited	3.1	31.3	3.1	**31.3**
SKF Forvaltning AB	0.2	2.0	0.2	2.0
	26.0	**260.0**	**26.0**	**260.0**

Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2025		March 31, 2024	
	Number of shares (Million)	% of total shares in the class	Number of shares (Million)	% of total shares in the class
Equity shares of INR 10 each fully paid up held by				
Aktiebolaget SKF, holding company	22.7	45.8%	22.7	45.8%
SKF U.K. Limited, fellow subsidiary company	3.1	6.3%	3.1	6.3%

Details of Shareholding of Promoters

Name of the promoter	March 31, 2025			March 31, 2024		
	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)	22.7	45.8%	-	22.7	45.8%	-
SKF U.K. Limited	3.1	6.3%	-	3.1	6.3%	-
SKF Forvaltning AB	0.2	0.4%	-	0.2	0.4%	-

For the period of 5 years immeditely preceeding March 31, 2025;

(i) The Group has not allotted any shares as fully paid up bonus shares

(ii) The Group has not allotted any shares as fully paid up pursuant to contract(s) without payment being received in cash.

(iii) The Group has not bought back any shares.

17 Reserves and surplus*

	March 31, 2025	March 31, 2024
General reserve	2,838.9	2,838.9
Capital redemption reserve	32.9	32.9
Retained earnings	22,613.4	23,461.3
	25,485.2	**26,333.1**
General reserve**		
At the commencement of the year	2,838.9	2,838.9
Closing Balance	**2,838.9**	**2,838.9**
Capital redemption reserve		
At the commencement of the year	32.9	32.9
Closing Balance	**32.9**	**32.9**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	March 31, 2025	March 31, 2024
At the commencement of the year	23,461.3	20,047.6
Profit for the year	5,659.1	5,518.0
Other comprehensive income recognised directly in retained earning :-		
Remeasurement of net defined benefits obligation (net of tax)	(80.1)	(126.8)
Less : Appropriations		
Dividend on Equity shares INR 130 per share (Previous year INR 40 per share)	(6,426.9)	(1,977.5)
Closing Balance	**22,613.4**	**23,461.3**

*There are no changes due to changes in accounting policies or prior period errors.

** Nature and Purpose of Other Reserves :

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

The reserve is a free reserve.

18 Provisions

	March 31, 2025		March 31, 2024	
	Current	Non-Current	Current	Non-Current
Disputed statutory and other matters	-	84.5	-	76.8
Warranty	2.6	7.4	13.7	7.4
Coupons & Incentives	275.7	-	261.0	-
Provision for employee benefits				
Compensated absences	89.8	325.2	101.6	285.2
Provident fund liability (Refer note 36)	-	132.3	-	-
Gratuity (Refer note 36)	61.5	-	99.4	-
	429.6	**549.4**	**475.7**	**369.4**

Movements in provisions

Movements in each class of provision during the financial year

	Disputed statutory and other matters	Warranty	Coupons & Incentives	Total
As on April 1, 2023	81.3	23.8	286.2	391.3
Provision made during the year	0.5	-	647.8	648.3
Provision utilised during the year	(5.0)	(2.7)	(673.0)	(680.7)
As on March 31, 2024	**76.8**	**21.1**	**261.0**	**358.9**
Provision made during the year	12.3	8.5	869.1	889.9
Provision utilised during the year	(4.6)	(19.6)	(854.3)	(878.5)
As on March 31, 2025	**84.5**	**10.0**	**275.8**	**370.2**

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.

(INR in Million)

(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 upto 18 months.

Financial Liabilities

19 Trade payables

	March 31, 2025	March 31, 2024
Current		
(i) Outstanding dues of micro and small enterprises (Refer note 38)	505.5	370.2
(ii) Outstanding dues of creditors other than micro and small enterprises & related parties	1,336.8	1,751.5
(iii) Payable to related parties (Refer note 44 (iv))	4,787.8	5,009.7
	6,630.1	**7,131.4**

Aging of trade payables:

	March 31, 2025						
	Outstanding for following periods from the due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	493.2	7.5	1.0	0.9	2.9	**505.5**
Others	1,320.5	4,279.9	437.7	11.9	22.7	51.9	**6,124.6**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Others	-	-	-	-	-	-	**-**
Total	**1,320.5**	**4,773.1**	**445.2**	**12.9**	**23.6**	**54.8**	**6,630.1**

	March 31, 2024						
	Outstanding for following periods from the due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payables							
Micro enterprises and small enterprises	-	316.1	50.5	1.4	1.2	1.0	**370.2**
Others	940.0	4,825.5	897.2	21.0	13.0	64.5	**6,761.2**
Disputed trade payables							
Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
Others	-	-	-	-	-	-	**-**
Total	**940.0**	**5,141.6**	**947.7**	**22.4**	**14.2**	**65.5**	**7,131.4**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

20 Other current financial liabilities

	March 31, 2025	March 31, 2024
Salaries and Incentives	245.1	224.0
Liabilities for dealer incentives	1,065.2	855.4
Unclaimed dividend *	80.0	46.0
Payables on account of capital purchases	60.2	101.4
Other liabilities **	297.8	107.0
	1,748.3	**1,333.8**

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2025 except INR 0.2 million (March 31, 2024 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 Awarenes Fund Account. The Group is in the proecss to recover the money back to Unclaimed Dividend Account.

** includes amount payable towards retention amount for trade payables, etc.

21 Other current liabilities

	March 31, 2025	March 31, 2024
Statutory dues payable (TDS,PF, ESIC,PT, etc.)	189.1	195.3
Advances received from customers	42.6	63.3
	231.7	**258.6**

22 Revenue from operations (Refer note 42)

	For year ended March 31, 2025	For year ended March 31, 2024
Revenue from contracts with customers :-		
Sale of products :-		
Manufactured goods	27,393.7	25,688.2
Traded goods	19,672.8	18,122.2
Sale of products (total)	47,066.5	43,810.4
Sale of services	1,238.5	1,066.9
Other operating revenue :-		
Scrap sales	73.7	98.6
Technical and other service income	706.7	618.5
Miscellaneous Operating Income (includes export benefits etc)	113.8	106.9
	49,199.2	**45,701.3**

23 Other income

	For year ended March 31, 2025	For year ended March 31, 2024
Interest Income from Financial assets at amortised cost		
- Fixed deposits with banks	589.4	639.4
- On loan given to related party	139.3	73.3
Rental income	49.5	38.4
Discount on license purchased	8.2	5.2
Profit on sale of Property Plant & Equipment (net)	0.4	8.1

(INR in Million)

	For year ended March 31, 2025	For year ended March 31, 2024
Net gain on foreign currency transactions and translations	176.0	52.4
Miscellaneous Income	51.7	123.3
	1,014.5	**940.1**

24 Cost of material consumed

	For year ended March 31, 2025	For year ended March 31, 2024
Inventory at the beginning of the year	670.3	969.0
Purchases during the year	12,650.9	11,302.0
Inventory at the end of the year	(848.5)	(670.3)
Cost of material consumed	**12,472.7**	**11,600.7**

25 Purchase of stock-in-trade

	For year ended March 31, 2025	For year ended March 31, 2024
Purchases of traded goods	19,473.7	16,325.5
	19,473.7	**16,325.5**

26 Changes in inventories of finished goods, work-in-progress and stock-in-trade

	For year ended March 31, 2025	For year ended March 31, 2024
Increase in inventory of finished goods :		
Opening inventory	1,468.3	1,387.0
Less : Closing inventory	1,539.1	1,468.3
	(70.8)	(81.3)
Increase in inventory of work in progress :		
Opening inventory	29.9	141.1
Less : Closing inventory	33.9	29.9
	(4.0)	111.2
Increase in inventory of traded goods :		
Opening inventory	4,011.7	3,838.5
Less : Closing inventory	5,717.9	4,011.7
	(1,706.2)	(173.2)
	(1,781.0)	**(143.3)**

27 Employee benefit expense

	For year ended March 31, 2025	For year ended March 31, 2024
Salaries, Wages and Bonus	2,793.9	2,655.2
Share based payments (Refer Note 39)	17.3	16.2
Contribution to Provident and Other Funds (Refer note 36)	203.5	194.8
Gratuity (Refer note 36)	46.8	36.5
Compensated absences	73.8	106.9
Staff welfare expenses	462.5	424.1
	3,597.8	**3,433.7**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

28 Finance costs

	For year ended March 31, 2025	For year ended March 31, 2024
Interest and finance charges on lease liability (Refer note 3(b))	7.0	12.1
	7.0	**12.1**

29 Depreciation and amortisation expense

	For year ended March 31, 2025	For year ended March 31, 2024
Depreciation of Property, Plant and Equipment (Refer note 3(a))	757.8	669.6
Depreciation on right-of-use assets (Refer note 3(b))	60.5	64.5
Amortisation of Intangible assets (Refer note 5)	2.4	1.9
Depreciation of Investment property (Refer note 4)	10.1	10.0
	830.8	**746.0**

30 Other expenses

	For year ended March 31, 2025	For year ended March 31, 2024
Consumption of stores and spare parts	1,573.8	1,592.0
Power and Fuel	627.7	570.6
Repairs and maintenance		
Building	49.9	43.1
Machinery	566.1	544.9
Royalty	812.9	713.0
IT Services	722.5	773.6
Trade mark fees	509.9	442.8
Rental charges (Refer note 3(b))	14.7	13.4
Insurance	86.3	82.6
Rates and Taxes	11.8	15.8
Travel and conveyance	398.8	334.8
Legal and professional fees	75.4	71.6
Payment to auditors (Refer note I below)	6.8	5.8
Advertising and sales promotion	202.3	231.8
Logistic Cost	536.5	423.8
Provision for bad and doubtful debts	37.1	80.9
Bad debts written off	12.7	9.2
Directors' Commission / Sitting Fees	8.5	7.9
Expenditure incurred for Corporate Social Responsibility (Refer note II below)	135.4	110.9
Miscellaneous expenses	1,593.3	1,240.3
	7,982.4	**7,308.8**

	For year ended March 31, 2025	For year ended March 31, 2024
I) Note : Payments to auditors		
As auditor		
- Statutory audit (including limited reviews)	4.7	4.3
- Other audit services	1.0	1.0

(INR in Million)

	For year ended March 31, 2025	For year ended March 31, 2024
In other capacities		
- Certification fees	1.1	0.5
	6.8	**5.8**

	March 31, 2025	March 31, 2024
II) Corporate social responsibility expenditure		
Details of ongoing CSR projects under Section 135 (6) of the Act		
Amount required to be spent by the company during the year	132.4	110.1
Amount of expenditure incurred	135.4	110.9
(Excess) / Shortfall for the year	(3.0)	(0.8)
Nature of CSR activities:		
Contribution towards Youth Empowerment	51.8	41.4
Contribution towards Women Empowerment	35.5	35.4
Contribution towards Education	19.3	15.6
Others	28.8	18.5
Total	**135.4**	**110.9**
Amount spent during the year on		
(i) Construction/acquisition of an Assets	-	-
(ii) On purpose other than (i) above	135.4	110.9
	135.4	**110.9**
Details of related party transactions	NA	NA
Provision with respect to a liability incurred by entering into a contractual obligation.	NA	NA

31 Income Tax expense

	For year ended March 31, 2025	For year ended March 31, 2024
(a) Current Tax		
Current tax on profit during the year	2,005.0	1,900.4
Adjustments for current tax of prior periods	23.4	-
Total Current Tax expense	2,028.4	1,900.4
Deferred Tax		
Deferred tax expense	(55.5)	(60.2)
Income tax expense	**1,972.9**	**1,840.2**
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	7,630.3	7,357.9
Tax at the Indian tax rate of 25.17 %	1,920.5	1,852.0
Tax effect of amounts which are not deductible (taxable) in calculating taxable income :		
Short provision of tax relating to earlier year	23.4	-
Corporate social responsibility expenditure	34.1	27.9
Others ("Standard deduction , Provision for SME interest, etc.")	(5.1)	(39.7)
Income tax expense	**1,972.9**	**1,840.2**
(c) Tax impact of remeasurement of post employment benefits obligation recognised in OCI	27.0	42.7

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Fair Value Measurement

32 Financial instruments by category

The carrying value and fair value of financial instrument by categories were as follows :

	March 31, 2025		March 31, 2024	
	Amortised Cost	Carrying Amount	Amortised Cost	Carrying Amount
Financial assets				
Investment	91.0	91.0	89.2	89.2
Trade receivables	8,485.5	8,485.5	7,513.3	7,513.3
Cash and bank balances	7,188.3	7,188.3	12,221.1	12,221.1
Loans	1,609.3	1,609.3	1,576.0	1,576.0
Other Financial assets	377.3	377.3	582.9	582.9
Total Financial Assets	**17,751.4**	**17,751.4**	**21,982.4**	**21,982.4**
Financial Liabilities				
Trade Payables	6,630.1	6,630.1	7,131.4	7,131.4
Other Financial Liabilities	1,748.3	1,748.3	1,333.8	1,333.8
Lease Liabilities	69.2	69.2	117.7	117.7
Total Financial Liabilities	**8,447.6**	**8,447.6**	**8,582.9**	**8,582.9**

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.

There are no financial instruments measured under the category of Fair value through Profit and Loss account and Fair value through OCI.

i) 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.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2025

	Level 1	Level 2	Level 3	Total March 31, 2025
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**

(INR in Million)

	Level 1	Level 2	Level 3	Total March 31, 2025
Financial Liabilities				
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**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at March 31, 2024

	Level 1	Level 2	Level 3	Total March 31, 2024
Financial assets				
Investment	-	-	89.2	89.2
Trade receivables	-	-	7,513.3	7,513.3
Cash and bank balances	-	-	12,221.1	12,221.1
Loans	-	-	1,576.0	1,576.0
Other Financial assets	-	-	582.9	582.9
Total Financial assets	**-**	**-**	**21,982.4**	**21,982.4**
Financial Liabilities				
Trade Payables	-	-	7,131.4	7,131.4
Other Financial Liabilities	-	-	1,333.8	1,333.8
Lease Liabilities	-	-	117.7	117.7
Total Financial liabilities	**-**	**-**	**8,582.9**	**8,582.9**

(ii) Valuation processes

The Group performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

33 Financial risk management

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.

33 (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).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

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 .

The Group's exposure to foreign currency risk at the end of the reporting period, are as follows

	Exchange Rates		Exposure in Foreign Currency	
Financial Assets	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Trade Receivables				
EURO	92.6	90.0	90.3	125.3
USD	85.5	83.4	119.0	263.3
SEK	8.6	7.8	116.4	222.5
SGD	63.7	61.7	222.9	181.6
CNY	11.8	11.5	23.9	63.3
AUD	53.6	54.1	16.2	9.3
THB	2.5	2.3	41.9	80.0
CAD	59.6	61.3	0.1	-
Total			**630.7**	**945.3**
Bank balance in EEFC				
EURO	92.6	90.0	273.2	9.6
USD	85.5	83.4	0.5	28.0
Total			**904.4**	**982.9**

	Exchange Rates		Exposure in Foreign Currency	
Financial Liabilities	**March 31, 2025**	**March 31, 2024**	**March 31, 2025**	**March 31, 2024**
Trade Payables				
EURO	92.6	90.0	2,802.8	2,874.5
USD	85.5	83.4	528.5	535.7
SEK	8.6	7.8	0.3	120.3
GBP	110.8	105.1	0.7	0.1
YEN	0.6	0.6	1.8	4.9
CHF	97.0	92.0	0.1	0.1
SGD	63.7	61.7	32.8	0.9
Total			**3,367.0**	**3,536.5**

ii) Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

	Impact on profit after tax	
	March 31, 2025	**March 31, 2024**
EURO sensitivity		
INR/EURO increased by 5 %	(135.6)	(137.5)
INR/EURO decreased by 5 %	135.6	137.5
USD sensitivity		
INR/USD increased by 5 %	(20.5)	(13.6)
INR/USD decreased by 5 %	20.5	13.6
SEK sensitivity		

(INR in Million)

	Impact on profit after tax	
	March 31, 2025	March 31, 2024
INR/SEK increased by 5 %	5.8	5.1
INR/SEK decreased by 5 %	(5.8)	(5.1)
SGD sensitivity		
INR/SGD increased by 5 %	9.5	9.1
INR/SGD decreased by 5 %	(9.5)	(9.1)

iii) Interest rate risk

The Group's 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.

33 (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.

Maturities of financial liabilities

Contractual maturities of financial liabilities	Less than 1 year	1-3 years	Over 3 years
31-Mar-2024			
Lease Liabilities (undiscounted)	80.1	36.2	1.3
Total liabilities	**80.1**	**36.2**	**1.3**

	Less than 1 year	1-3 years	Over 3 years
31-Mar-2025			
Lease Liabilities (undiscounted)	63.4	5.8	-
Total liabilities	**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.

33 (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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

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 impairment 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 balance sheet date is given below. The age analysis has been considered from the date when the invoices were due for payment.

	As at March 31, 2025			As at March 31, 2024		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due (Including unbilled)	7,296.1	-	7,296.1	6,497.3	-	6,497.3
Overdue up to 3 months	1,189.5	-	1,189.5	1,016.1	-	1,016.1
Overdue 3-6 months	31.9	(31.9)	-	21.7	(21.7)	-
Overdue more than 6 months	229.8	(229.8)	-	202.9	(202.9)	-
Total	**8,747.3**	**(261.7)**	**8,485.6**	**7,738.0**	**(224.6)**	**7,513.4**

Reconciliation of loss allowance provision – Trade receivables

(INR in million)

Loss allowance on April 1, 2023	**159.5**
Change in loss allowance	65.1
Loss allowance on March 31, 2024	**224.6**

(INR in Million)

(INR in million)

Change in loss allowance	37.1
Loss allowance on March 31, 2025	**261.7**

34 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 Company 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.

(b) Dividends

		March 31, 2025	March 31, 2024
i)	**Equity shares**		
	Dividend paid		
	March 31, 2024 (INR 130 per share)	6,426.9	-
	March 31, 2023 (INR 40 per share)	-	1,977.5
ii)	**Dividends not recognised at the end of reporting period**		
	In addition to the dividend in point (i) above, post year end the directors have recommended the payment of a dividend of INR 14.5 per fully paid equity share (March 31, 2024 – INR 130). This proposed dividend is subject to the approval of shareholders in the Annual General meeting.	716.9	6,426.9

35 Earnings per share (EPS)

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:

	For year ended March 31, 2025	For year ended March 31, 2024
Profit attributable to Equity Shareholders (Rupees in Million)	5,659.1	5,518.0
Basic/Weighted average number of Equity Shares outstanding during the year	49,437,963	49,437,963
Nominal value of Equity Shares (INR)	10.0	10.0
Basic Earnings per share (INR)	114.5	111.6
Diluted Earnings per share (INR)*	114.5	111.6
*There are no dilutive potential equity shares		

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(INR in Million)

36 Employee benefits: Post-employment benefit plans

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 Group, Provident Fund Scheme. The contributions are charged to the consolidated statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund and Superannuation fund is as follows:

Particulars	For year ended March 31, 2025	For year ended March 31, 2024
Employee Provident Fund - Regional Provident Fund Contribution	59.4	59.1
Superannuation fund	61.2	53.7
	120.6	**112.8**

II Defined Benefit plans

i) Gratuity

The Group 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 obligations.

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2023	1,036.4	1,056.7	(20.3)
Current service cost	37.9	-	37.9
Interest cost/income	67.8	69.3	(1.5)
Total amount recognised in profit & loss	105.8	69.3	36.5
Remeasurements			
Return on plan assets less interest on plan assets	-	(5.8)	5.8
changes in demographic assumptions	1.2	-	1.2
(Gain)/loss from change in financial assumptions	5.3	-	5.3
Experience (gains)/losses	156.2	-	156.2
Total amount recognised in other comprehensive income	162.7	(5.8)	168.5
Employer contributions	**-**	**85.4**	**(85.4)**
Benefit payments	(97.3)	(97.3)	-
Closing balance as on March 31, 2024	**1,207.5**	**1,108.3**	**99.2**
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)

(INR in Million)

	Present value of obligation	Fair value of plan assets	Net Amount
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**

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2025	March 31, 2024
Present value of funded obligations	1,211.1	1,207.5
Fair value of plan assets	1,149.6	1,108.3
Deficit / (Surplus) of funded plan	61.5	99.2

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2025	March 31, 2024
Discount rate	6.75%	7.25%
Salary growth rate		
for Management employees	10.00%	10.00%
for Non-Management employees	7.00%	7.00%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.00%	30.00%
Age From 31 to 40 years	18.00%	18.00%
Age From 41 to 50 years	11.00%	11.00%
Age From 51 to 59 years	16.00%	16.00%
for Non-Management employees		
Age From 21 to 30 years	1.00%	1.00%
Age From 31 to 40 years	2.00%	2.00%
Age From 41 to 50 years	0.00%	0.00%
Age From 51 to 59 years	9.00%	9.00%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

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 80 Million (FY 2024-25 INR 80 Million).

ii) Provident Fund

The Group 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, shortfall recognised in the Statement of Profit and Loss during the year is INR 132.3 million (previous year INR NIL million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2023	2,201.9	2,175.5	26.4
Current service cost	71.1	-	71.1
Interest cost/income	162.3	160.4	1.9
Total amount recognised in profit & loss	233.4	160.4	73.0
Remeasurements			
Return on plan assets less interest on plan assets	-	86.2	(86.2)
(Gain)/loss from change in financial assumptions	70.9	-	70.9
Experience (gains)/losses	(75.7)	-	(75.7)
Total amount recognised in other comprehensive income	(4.8)	86.2	(91.0)
Employer contributions	-	71.1	(71.1)
Employee contributions	148.6	148.6	-
Assets Distributed on Settlements / acquired on acquisition	(9.8)	(9.8)	-
Benefit payments	(197.0)	(197.0)	-
Closing balance as on March 31, 2024	**2,372.4**	**2,435.1**	**(62.7)**
Opening balance as on April 1, 2024	2,372.4	2,435.1	(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	**2,563.0**	**2,430.7**	**132.3**

The fair value of plan assets is INR 2,430.7 millions (March 31, 2024 INR 2,435.1 million) and recognized an obiligation INR 132.3 million (March 31, 2024 gain of INR 62.7 million is not recognised).

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2025	March 31, 2024
Present value of funded obligations	2,563.0	2,372.4
Fair value of plan assets	2,430.7	2,435.1
Deficit of funded plan	132.3	(62.7)

(INR in Million)

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2025	March 31, 2024
Discount rate	6.75%	7.25%
Expected rate of return on plan assets	9.98%	8.60%
Discount rate for the remaining term to maturity of the investment	6.65%	7.25%
Average historic yield on the investment	9.88%	8.60%
Guaranteed rate of return	8.25%	8.25%
Attrition Rate:		
for Management employees		
Age From 21 to 30 years	30.00%	30.00%
Age From 31 to 40 years	18.00%	18.00%
Age From 41 to 50 years	11.00%	11.00%
Age From 51 to 59 years	16.00%	16.00%
for Non-Management employees		
Age From 21 to 30 years	1.00%	1.00%
Age From 31 to 40 years	2.00%	2.00%
Age From 41 to 50 years	0.00%	0.00%
Age From 51 to 59 years	9.00%	9.00%
Mortality table used	Indian Assured Lives Mortality (2012-2014)	Indian Assured Lives Mortality (2012-2014)

III Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation					
				Increase in Valuation			Decrease in Valuation	
	March 31, 2025	March 31, 2024		March 31, 2025	March 31, 2024		March 31, 2025	March 31, 2024
Discount rate - Gratuity	0.50%	0.50%	Decrease by	28.0	26.8	Increase by	26.6	(27.1)
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	27.5	26.8	Decrease by	26.4	25.8
RPFC guaranteed rate	1.00%	1.00%	Increase by	12.6	90.3	Decrease by	-	47.0

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 consolidated balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

IV (a) The major categories of plans assets for Gratuity are as follows:

	March 31, 2025				March 31, 2024			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Debt instruments	7.6	-	7.6	1%	9.5	-	9.5	1%
Government of India securities	136.4	-	136.4	12%	146.4	-	146.4	13%
Sub Total	**144.0**	**-**	**144.0**		**155.9**	**-**	**155.9**	
Insurer Fund	-	994.4	994.4	86%	-	902.9	902.9	81%
Others *	-	11.2	11.2	1%	-	49.5	49.5	4%
Total	**144.0**	**1,005.6**	**1,149.6**	**100%**	**155.9**	**952.4**	**1,108.3**	**100%**

* Includes payable to SKF India Limited

(b) The major categories of plans assets for Provident Fund are as follows:

	March 31, 2025				March 31, 2024			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Equity instruments	296.7	-	296.7	12%	261.5	-	261.5	11%
Debt instruments								
Corporate bonds	228.2	-	228.2	9%	305.3	-	305.3	13%
Government of India securities	1,153.1	-	1,153.1	47%	1,104.3	-	1,104.3	45%
Sub Total	**1,381.3**	**-**	**1,381.3**		**1,409.5**	**-**	**1,409.5**	
Others	-	752.7	752.7	31%	-	761.1	761.1	31%
Total	**1,678.0**	**752.7**	**2,430.7**	**100%**	**1,671.0**	**761.1**	**2,432.1**	**100%**

The weighted average duration of the defined benefit obligation is 4.51 years (March 31, 2024– 4.39 years). The expected maturity analysis of undiscounted gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2025					
Defined benefit obligation	293.1	400.1	450.7	633.4	1,777.4
March 31, 2024					
Defined benefit obligation	284.7	384.8	489.4	640.0	1,798.9

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 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.

(INR in Million)

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 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 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 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.

37 Contingent liabilities and commitments

(to the extent not provided for)

a) Contingent liabilities:

	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debts		
(i) Income-tax *	4,034.2	3,469.6
(ii) Excise & Customs duty	411.5	411.5
(iii) GST, Service Tax and Sales tax	197.6	223.5
(iv) Others	1,177.1	1,144.4
	5,820.4	**5,249.0**

* Including interest of INR 1,427 Million (March 31, 2024 INR 1,342 Million) as per the demand order.

(i) Income Tax :- 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 Group has received a Final assessment order for the Financial Year 2019-20 and Financial year 2020-21 (Assessment Year 2020-21 and Assessment year 2021-22) u/s 143(3) read with section 144C(13) read with section 144B of the Income Tax Act, 1961 ("Act") from the Assessing officer resulting in an adjustment of INR 794.65 million and 554.56 million respectively towards Transfer Pricing addition and an adjustment of INR 28.21 million and 36.76 million respectively towards disallowance of claim of health and education cess. The Group has preferred an appeal before the Income-tax Appeallate Tribunal against the adjustment, and the same is pending to be heard.

During the year Group has received the following penalty orders for various years & under the various sections of Income Tax Act, 1961.

1. INR 106 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271(1)C for FY 2014-15.
2. INR 5.7 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271AA(1) for FY 2014-15.
3. INR 15.9 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 271AA(1) for FY 2019-20.
4. INR 3.6 Million - Penalty on account of disallowance of claim of education cess in final Assessment order u/s 270(A) for FY 2019-20.

In response to the assessment order, the Group has filed appeals with the Commissioner of Income Tax (Appeals).

(ii) GST Service Tax -Sales Tax :- The Group has outstanding disputes with Indirect Tax authorities mainly relating to VAT, Service tax and GST.

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(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 Company 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, 2025.

b) Commitments:

	March 31, 2025	March 31, 2024
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances of INR 45 million (March 31, 2024 INR 56.4 million)	757.3	539.7
	757.3	**539.7**

38 (a) Dues to micro and small suppliers

	March 31, 2025	March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end (Refer note (b) below *	515.9	386.1
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	23.3	34.6
Principal amount paid to suppliers registered under the MSMED Act beyond the appointed day during the year	335.5	297.3
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act for payment already made	5.6	4.6
Further interest remaining due and payable for earlier years	17.7	30.1

*Includes amount of INR 233 million (March 31, 2024 INR 330.7 million) outstanding, but not overdue to micro and small as on March 31, 2025.

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, 2025 and year ended March 31, 2024.

(b) Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Company:

Reconciliation to trade payable total outstanding dues of micro and small enterprises and MSME disclosure principal amount :

	March 31, 2025	March 31, 2024
Total Outstanding dues to Micro And Small Enterprises	515.9	386.0
Capital Creditors (Refer note 20)	10.4	15.9
MSME Principal	505.5	370.2

(INR in Million)

39 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 a maximum of 225 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 allotment of shares shall be related to the level of achievement of the Total Value added (TVA) target level, as defined by the Board of Directors, and the SKF Group Net Zero 2030 objective. 90% of the maximum allocation of shares under the programme is based on the level of TVA increase. The allocation of shares is based on the level of TVA increase during the financial years 2022–2024 compared to the financial year 2021. In order for allocation of shares to take place the TVA increase 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 CO2e emissions. After the expiry of the financial year 2024, a comparison will be made of the level of CO2e 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.

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 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.

The inputs used in the measurement of the fair values at grant date of the stock awards were as follows.

Grant Date	30-Apr-21	30-Apr-22	30-Apr-23	30-Apr-24
Exercise Price (SEK)	-	-	-	-
Exercise Price in equivalent INR*	-	-	-	-
Expected Volatality	0.46%	-2.40%	2.17%	0.19%
	3.3%	4.4%	3.7%	3.2%
Expected Life	NA	NA	NA	NA
Risk Free Interest Rate	0.0%	2.6%	2.6%	2.1%

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Grant Date	30-Apr-21	30-Apr-22	30-Apr-23	30-Apr-24
Fair Value per share (SEK)	226.6	139.8	183.0	230.0
Fair Value per share in equivalent INR*	1,798.4	1,109.5	1,426.3	1,967.5
Awards Exercisable at the end of the year	NA	10,147.0	12,538.2	6,128.2
* Converted into INR using exchange rate 8.55				

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*
PSP2021	10,500	30-Apr-21	2024	226.6	1,798.4
PSP2022	23,250	30-Apr-22	2025	139.8	1,109.5
PSP2023	17,250	30-Apr-23	2026	183.0	1,426.3
PSP2024	40,112	30-Apr-24	2027	230.0	1,967.5

*Converted using exchange rate 8.55

Movement in stock awards during the year	Employee Stock Award Plan			
	31-Mar-25		31-Mar-24	
	No. of Awards	Weighted Average Exercise Price	No. of Awards	Weighted Average Exercise Price
Balance at the beginning of year	23,632	NA	14,927	NA
Granted during the year	78,980		58,073	
Adjustment during the year*	(63,299)		(38,868)	
Forfeited during the year	-		-	
Exercised during the year	(10,500)		(10,500)	
Expired during the year	-		-	
Balance at end of year	28,813		23,632	

* Represents adjustments made by AB SKF, the 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 Group.

40 Segment information

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 Consolidated statement of Profit and Loss.

Information about geographical segments

	March 31, 2025	March 31, 2024
Segment revenue		
Within India	44,398.0	41,325.1
Outside India	4,801.2	4,376.2
	49,199.2	**45,701.3**
Segment assets *		
Within India	7,647.2	6,877.5
Outside India	-	-
	7,647.2	**6,877.5**

* Non Current Assets excludes Deferred Tax assets and Financial Instruments

(INR in Million)

41 The Company has facility from banks for

The Group has sanctioned facility (Fund and non-fund based) amounting to 1,729.4 MINR and 5 MINR. The Group has not utilized fund based facility (working capital / working capital demand loan) at any time during the year.

42 Ind AS 115 :- Revenue from contracts with customers

	March 31, 2025	March 31, 2024
Reconciliation of revenue with contract price :-		
Revenue as per statement of Profit & Loss	49,199.2	45,701.3
Add: Incentive/rebates etc	2,098.5	1,603.1
Add: Discounts	4.0	6.9
Add: Liquidated damages	36.4	43.0
Contract price	**51,338.1**	**47,354.3**

43 Code on Social Security, 2020

The code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified. The Group will assess the impact of the Code when it comes into effect and will record any related impact after the Code becomes effective.

44 Related party disclosures

(i) List of Related Parties & relationship:

a) Ultimate Parent Entity / Ultimate Controlling Party and Immediate Parent Entity / Immediate Controlling Party:

Sr. No.	Name of the Related Party
1	Aktiebolaget SKF (AB SKF)

Associates:

Sr. No.	Name of the Related Party
1	Sunstrength Renewables Private Limited
2	CleanMax Taiyo Private Limited w.e.f March 23, 2023

b) Names of the related parties with whom transactions were carried out and description of relationship:

Fellow subsidiary Companies (All under the common control of AB SKF)	
1	SKF GMBH
2	SKF INDUSTRIE SPA
3	SKF Sverige AB
4	SKF USA Inc
5	SKF Argentina S.A.
6	SKF OESTERREICH AG
7	PEER BEARING COMPANY
8	SKF (Xinchang) Bearings and Precision Technologies Co, Ltd.
9	SKF Recondoil AB
10	SKF Metal Stamping S.r.l.
11	LINCOLN INDUSTRIAL CORP
12	ALEMITE LLC
13	STEWART WARNER CORPORATION OF CANADA
14	SKF Engineering and Lubrication India Private Limited

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

15	Blohm Voss Industries (Singapore) Pte Ltd
16	KAYDON CORPORATION
17	COOPER ROLLER BEARINGS COMPANY LTD
18	SKF AB SWEDEN
19	SKF International AB (Treasury Centre), Göteborg
20	SKF MEKAN AB
21	SKF Eurotrade AB
22	SKF DANMARK AS
23	Oy SKF AB
24	SKF (U.K.) Limited
25	SKF FRANCE S.A.
26	RKS S.A.S
27	SKF BELGIUM NV SA
28	SKF ESPANOLA S.A., INT. MARK.
29	RFT SPA
30	SKF CZ a.s.
31	SKF BEARINGS BULGARIA EAD
32	SKF European Distribution Centre (EDC), Tongeren
33	VENTURE AEROBEARINGS LLC
34	BFW COUPLING SERVICES LTD
35	SKF Canada Ltd
36	SKF MAGNETIC BEARINGS
37	SKF DE MEXICO S.A.DE C.V.
38	SKF Sealing Solutions, S.A. DE C.V (DOH)
39	SKF Latin Trade S.A.
40	SKF del Peru S.A.
41	SKF DO BRAZIL LTDA
42	Peer Bearing Company-Changshan
43	SKF TÜRK SANAYI VE TICARET LIMITED
44	SKF Asia Pacific Pte Ltd
45	SKF (Thailand) Ltd, Bangkok
46	SKF Bearing Services Taiwan, Taipei
47	SKF Japan Ltd., Tokyo
48	SKF KOREA LTD.
49	SKF PHILLIPINES INC
50	SKF BEARING INDUSTRIES SDN BHD
51	SKF MALAYSIA SDN.BHD.
52	SKF SEALING SOLUTIONS (WUHU) CO LTD
53	PT SKF INDONESIA
54	SKF Sealing Solutions Korea Co Ltd
55	SKF VIETNAM CO LTD
56	PT SKEFINDO PRIMATAMA
57	SKF (Shanghai) Automotive Technologies Co Ltd
58	SKF (China) Sales Co Ltd
59	SKF(DALIAN) BEARINGS & PREC.CO
60	SKF (Jinan) Bearing & Precision Technology Co. Ltd.
61	SKF Distribution Shanghai Co Ltd

(INR in Million)

62	SKF Australia PTY Ltd.
63	PILGRIM INTERNATIONAL LTD.
64	SKF B.V.
65	SKF SEALING SOLUTIONS GMBH
66	SKF SOUTH AFRICA (PTY) LTD.
67	SKF Sealing Solutions Austria GmbH
68	SKF Sealing Solutions (Schweiz) GmbH
69	SKF Economos India Pvt. Ltd
70	SKF FORVALTNING AB
71	SKF CHILENA S.A.I.C.
72	SKF Coupling Systems AB
73	SKF Magnetic Mechatronics SAS
74	SKF SEALS AMERICAS
75	SKF SEALS ITALY SPA
76	SKF Seals Leverkusen
77	Beijing Nankou SKF Railway Bearings Co Ltd
78	M3M SAS
79	Ningbo General Bearing Co Ltd (NGBC)
80	SKF AEROENGINE FRANCE
81	SKF Aerospace France S.A.S
82	SKF Financial Services Poland sp. z o.o
83	SKF MFR Technology
84	SKF POLSKA S.A.
85	SKF PORTUGAL ROLAMENTOS, LDA
86	SKF REINSURANCE CO LTD.
87	VESTA SI SWEDEN AB
88	TENUTE S.R.L
89	SKF CHINA LTD.
90	PSC SKF UKRAINE
91	SKF KENYA LTD.
Interested Entities (Firms / Companies where the close member of KMP of the Company is interested)	
1	Khaitan & Co
2	AZB Partners
3	The Council of EU Chamber
Key Management Personnel	
1	Ms. Anu Wakhlu
2	Mr. Gopal Subramanyam
3	Mr. David Leif Henning Johansson (till 17th September 2024)
4	Mr. Karl Robin Joakim Landholm
5	Ms. Kerstin Enochsson
6	Mr. Manish Bhatnagar (till 13th February 2025)
7	Mr. Mukund Vasudevan (w.e.f 8th April 2024)
8	Mr. Shailesh Sharma (w.e.f 13th February 2025)
9	Mr. Ashish Saraf
10	Mr. Ranjan Kumar
Close Member of Key Management Personnel	
1	Udayarkar Rangarajan
2	Nanditha Gopal

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Post Employment Benefit Plans	
1	SKF India Limited Provident Fund Scheme
2	SKF Bearings India Limited Superannuation Scheme
3	SKF Bearings India Limited Bangalore Superannuation Scheme
4	SKF Bearings India Limited Employees Gratuity Fund
5	SKF Bearings India Limited Bangalore Employees Gratuity Fund

(ii) Terms and conditions of transactions with related parties:

- 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 interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024: Nil).
- Services rendered include renting services, technical, other services, etc.
- Services received include administrative, IT services, royalty, trade-mark, other services, etc.
- Includes recoveries on account of employee cost, travel costs, training, IT services, etc.

(iii) Disclosure of related party transactions:

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
A	**Purchases**				
i	Raw Materials, components, spares and Finished Goods	**19,528.5**		**16,041.7**	
	SKF GMBH		3,714.9		3,517.6
	SKF Engineering and Lubrication India Private Limited		4,388.8		3,711.0
	SKF Sverige AB		2,128.4		1,252.0
	SKF France S.A.		1,717.5		1,561.5
	SKF INDUSTRIE SPA		1,172.1		1,105.1
	Others		6,406.8		4,894.5
ii	Property, Plant and Equipment	**200.1**		**62.6**	
	SKF Osterreich AG		53.8		9.2
	SKF Engineering and Lubrication India Private Limited		26.0		36.6
	SKF GMBH		1.0		0.7
	SKF SEALING SOLUTIONS KOREA CO., LTD		58.6		-
	SKF ESPANOLA S.A., INT. MARK.		42.3		16.1
	Others		18.4		0.0
B	**Services received**				
i	Administrative and Service Fees	**47.6**		**33.4**	
	SKF International AB		38.4		23.2
	SKF AB Sweden		1.8		2.7
	SKF GMBH		0.5		0.7
	SKF USA Inc		6.7		-
	Others		0.2		6.9
ii	IT services	**367.0**		**416.1**	
	AB SKF		367.0		416.1

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
C	**Royalty**	**812.9**		**713.0**	
	AB SKF		812.9		713.0
D	**Trade Mark Fees**	**509.9**		**442.8**	
	AB SKF		509.9		442.8
E	**Shared based payment**				
	Shared based payment charge	**9.9**		**9.7**	
	SKF AB Sweden		9.9		9.7
F	**Purchase of electricity and others**				
	Electricity charges	**148.3**		**-**	
	Sunstrength Renewables Private Limited		67.4		-
	CleanMax Taiyo Private Limited		80.9		-
G	**Sales**				
i	Goods and Services	**3,902.3**		**3,727.8**	
	SKF International AB EDC		429.2		615.9
	SKF GMBH		667.3		713.7
	SKF Do Brazil Ltda		141.8		-
	SKF USA Inc		473.4		560.0
	SKF Industrie Spa		96.5		-
	SKF Asia Pacific Pte Ltd		814.3		464.6
	SKF DE MEXICO S.A.DE C.V.		603.1		97.3
	SKF (Thailand) Ltd, Bangkok		220.1		360.2
	Others		456.6		916.1
ii	Technical and other service income	**708.3**		**628.0**	
	AB SKF		457.4		486.3
	SKF Engineering and Lubrication India Private Limited		117.8		82.0
	Others		133.1		59.7
H	**Other Income**				
i	Rent Income	**49.5**		**38.4**	
	SKF Engineering and Lubrication India Private Limited		49.5		38.4
I	**Reimbursements**				
i	Received	**535.7**		**220.6**	
	SKF Engineering and Lubrication India Private Limited		117.2		167.4
	AB SKF		162.8		2.9
	Others		255.7		50.2
ii	Paid	**21.3**		**2.8**	
	SKF Engineering and Lubrication India Private Limited		19.0		-
	SKF GMBH		1.5		1.4

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2025		For year ended March 31, 2024	
		Amount	Amount	Amount	Amount
	SKF Australia PTY Ltd.		0.8		-
	Others		0.1		1.4
J	**Inter Corporate Loan & Interest**				
i	Loan Given	**-**		**900.0**	
	SKF Engineering and Lubrication India Private Limited		-		900.0
ii	Interest Income on Loan	**139.3**		**73.3**	
	SKF Engineering and Lubrication India Private Limited		139.3		73.3
K	**Dividend Paid**	**3,379.0**		**1,039.7**	
	AB SKF		2,946.6		906.6
	SKF (UK) Ltd.		406.8		125.2
	SKF Forvaltning AB		25.5		7.9
L	**Managerial Remuneration :-**	**100.5**		**114.3**	
	Short-term employee benefits		94.9		109.3
	Long-term employee benefits		5.7		4.9
M	**Payment to Directors**	**8.5**		**7.9**	
	Sitting fees & Commission		8.5		7.9
N	**Investment in equity shares of Associate Company**	**-**		**65.4**	
	Sunstrength Renewables Private Limited		-		23.2
	CleanMax Taiyo Private Limited		-		42.2
O	**Post Employment Benefit Plans**				
i	Contributions Paid	**352.0**		**353.7**	
	SKF India Limited Provident Fund Scheme		237.9		219.1
	SKF Bearings India Limited Superannuation Scheme		42.3		40.2
	SKF Bearings India Limited Bangalore Superannuation Scheme		11.6		9.0
	SKF Bearings India Limited Employees Gratuity Fund		45.2		54.2
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		-		31.3
ii	Reimbursements Received For Settlements	**126.5**		**103.4**	
	SKF Bearings India Limited Employees Gratuity Fund		87.3		86.2
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		39.2		17.2

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(iv) Disclosure of related party balances:

Sr. No.	Nature of transaction / relationship	March 31, 2025		March 31, 2024	
		Amount	Amount	Amount	Amount
1	**Trade receivables**	**921.9**		**930.3**	
	SKF International AB		597.7		891.6
	AB SKF		135.2		-
	Others		189.0		38.7
2	**Other receivable**	**-**		**187.0**	
	AB SKF		-		139.1
	Others		-		47.9
3	**Trade payables**	**4,787.8**		**5,009.7**	
	SKF International AB		2,632.2		2,963.7
	SKF Engineering and Lubrication India Private Limited		952.0		-
	AB SKF		320.9		304.7
	Others		882.7		1,741.3
4	**Loans**	**1,576.0**		**1,576.0**	
	SKF Engineering and Lubrication India Private Limited		1,576.0		1,576.0
5	**Other liabilities**	**120.8**		**-**	
	SKF Brazil		120.8		-
6	**Post Employment Benefit Plans**				
	Other Receivable	**0.0**		**100.2**	
	SKF Bearings India Limited Employees Gratuity Fund		-		0.0
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		-		-
	SKF Bearings India Limited Employees Gratuity Fund		-		99.4
	SKF Bearings India Limited Superannuation Scheme		-		0.8
	Other Payable	**274.2**		**84.9**	
	SKF Bearings India Limited Employees Gratuity Fund		61.6		23.4
	SKF Bearings India Limited Employees Provident Fund		151.7		19.3
	SKF Bearings India Limited Superannuation Scheme		60.8		42.3
7	**Director's commission**	**6.7**		**6.5**	
			6.7		6.5

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AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

45 Investments

	As at March 31, 2025	As at March 31, 2024
Investment in associates accounted for using the equity method		
Sunstrength Renewables Private Limited		
599,625 equity shares (March 31, 2024 - 599,625) of INR 10/- each fully paid	57.3	51.9
Clean Max Taiyo Private Limited		
28,867 equity shares (March 31, 2024 - 28,867) of INR 10/- each fully paid	33.7	37.3
Total (unquoted investments)	**91.1**	**89.2**

Interests in other entities

(a) Subsidiary

Name of Entity	Place of Business	% of ownership interest		Relationship
		As at March 31, 2025	As at March 31, 2024	
SKF India (Industial) Limited	Pune, Maharashtra India	100.00%	0%	Subsidiary

(a) Interests in associates

Set out below are the associates of the Company as at March 31, 2025 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	Place of Business	% of ownership interest	Relationship	Accounting method	Quoted fair value	Carrying amount
					March 31, 2025	March 31, 2025
Sunstrength Renewables Private Limited	Mumbai, Maharashtra India	26.74%	Associate	Equity method	_*	57.3
Clean Max Taiyo Private Limited	Bangalore, Karnataka India	26.00%	Associate	Equity method	_*	33.7

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.

* Unlisted entity - no quoted price available

(i) Significant judgement: existence of significant influence

Through the shareholders' agreement, SKF India Limited is guaranteed one seat (Observer) on the boards of Sunstrength 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(ii) Summarised financial information for associates

The summarized financial information for associates disclosed below, reflects the amounts presented in the financial statements of the relevant associates and not the Group's share of those amounts.

Summarised balance sheet	March 31, 2025	March 31, 2024
Current assets		
Cash and cash equivalents	118.2	148.4
Trade receivable	0.1	
Other assets	65.8	19.8
Total current assets	**184.1**	**168.2**
Non-current assets		
Property, plant and equipment	1,019.7	1,057.0
Intangible assets	1.5	
Capital work-in-progress	-	-
Right-of-use asset	4.4	4.5
Other non-current assets	104.6	90.2
Total non-current assets	**1,130.2**	**1,151.7**
Current liabilities		
Financial liabilities	197.3	66.9
Other liabilities	1.4	163.7
Total current liabilities	**198.7**	**230.5**
Non-current liabilities		
Financial liabilities	765.3	747.3
Other liabilities	6.7	1.9
Total non-current liabilities	**772.0**	**749.3**
Net assets	**343.6**	**340.1**

Reconciliation to carrying amounts

Particulars	Sunstrength Renewables Private Limited		Clean Max Taiyo Private Limited	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Opening net assets	194.0	88.5	143.6	0.0
Equity infusion		90.4		157.7
Others	17.5	-	4.2	0.0
Profit / (loss) for the year	2.6	15.1	(18.3)	(14.1)
Other comprehensive income	-	-	-	-
Closing net assets	**214.1**	**194.0**	**129.5**	**143.6**
SKF India Limited share in %	26.7%	26.7%	26.0%	26.0%
SKF India Limited share in INR (Million)	57.3	51.9	33.7	37.3
Carrying amount	**57.3**	**51.9**	**33.7**	**37.3**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

Summarised statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Revenue	129.7	89.8
Depreciation and ammortisation	(40.5)	(15.9)
Interest expenses	(92.1)	(58.5)
Income tax expenses	1.9	0.9
Other expense	(22.2)	(15.4)
Profit / (loss) from continuing operations	**(15.8)**	**0.9**
Profit / (loss) from discontinued operations	-	-
Profit / (loss) for the year	**(15.8)**	**0.9**
Other comprehensive income	-	-
Total comprehensive income	**(15.8)**	**0.9**

(iii) Share of profit / (loss) from associates

Particulars	Sunstrength Renewables Private Limited		Clean Max Taiyo Private Limited	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Share of profit / (loss) from associates	5.4	4.0	(3.7)	(3.7)
	5.4	**4.0**	**(3.7)**	**(3.7)**

46 Financial ratios

Ratio	Numerator	Denominator	Current year	Previous year	Change %	Remarks for variance more than 25%
Current ratio (in times)	Total current assets	Total current liabilities	2.8	3.0	-4.5%	Not Applicable
Debt-Equity ratio (in times)	Debt consists of borrowings and lease liabilities	Total Equity	0.00	0.00	-39.3%	This ratio has decreased primarily on account of increase in retained earnings by way of profit for the year and reduction in lease liability.
"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	83.9	48.3	73.6%	This ratio has increased primarily on account of increase in retained earnings by way of profit for the year and a reduction in lease liabilities.
Return on equity ratio (in %)	Profit for the year	Average total equity ((Opening + Closing)/2)	21.4%	26.1%	-17.9%	Not Applicable
Inventory Turnover Ratio	COGS	Average Inventory ((Opening + Closing)/2)	3.9	4.1	-5.0%	Not Applicable
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables ((Opening + Closing)/2)	6.2	6.7	-8.2%	Not Applicable
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables ((Opening + Closing)/2)	4.4	5.0	-11.7%	Not Applicable

(INR in Million)

Ratio	Numerator	Denominator	Current year	Previous year	Change %	Remarks for variance more than 25%
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.0	2.5	17.7%	Not Applicable
Net profit ratio (in %)	Profit for the year	Revenue from operations	11.5%	12.1%	-4.7%	Not Applicable
Return on capital employed (in %)	Profit before tax and finance costs	Capital employed = Net worth + Lease liabilities	29.3%	27.4%	7.2%	Not Applicable
Return on investment (in %)	Profit before tax and finance costs	Average total assets ((Opening + Closing)/2)	21.2%	25.5%	-16.9%	Not Applicable

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 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 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 not consummated yet and is subject to the requisite approvals, the scheme has not been given effect to in these financial results.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT AND FOR THE YEAR ENDED MARCH 31, 2025 (Contd.)

(INR in Million)

(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 Company (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 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

(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 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.

48 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 :- Gothenberg	**Mukund Vasudevan** Managing Director DIN :-05146681 Place :- Gothenberg
Ashish Saraf Chief Financial Officer PAN :-AVEPS0176L Place :- Bengaluru	**Ranjan Kumar** Company Secretary PAN :-AMEPK5869R Place: - Pune

Date: May 15, 2025

Notes

SKF India Limited

Registered Office

Chinchwad,
Pune - 411 033, Maharashtra, India
CIN: L29130PN1961PLC213113