



Date: 16th July 2026

National Stock Exchange of India Limited, Exchange Plaza, 5 th Floor, Plot No. C-1, G Block, Bandra- Kurla Complex, Bandra (East), Mumbai – 400051, Maharashtra, India NSE Scrip Code – SKFINDUS	BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001, Maharashtra India BSE Scrip Code -544572
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Subject: Submission of Annual Report under Regulation 34(1) and 53(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations')

Dear Sir/Mam,

Pursuant to the provisions of Regulation 34(1) and 53(2) of SEBI Listing Regulations, we are submitting herewith the **Annual Report of the Company along with the Notice of 2nd AGM and other Statutory Reports for the Financial Year 2025-26**. The same is being sent only through electronic mode to the members whose email addresses are registered with the Company's Registrar and Share Transfer Agent / Depositories.

Further, in compliance with **Regulation 36 of the SEBI Listing Regulations**, the Company has initiated sending letters containing the web link of the Annual Report for FY 2025-26 to those Members whose email addresses are not registered with the Company's RTA and/or Depositories.

The Annual Report of the Company along with the Notice of 2nd Annual General Meeting is also available on the website of the Company at:

https://cdn.skfmediahub.skf.com/api/public/09f870a5cdb9c34e/pdf_preview_medium/Annual_Report_2025-26-20260630145519_pdf_preview_medium.pdf

We request you to take the above information on record.

Thanking you,

Yours faithfully,
For SKF India (Industrial) Limited

Poorva Bang
Company Secretary & Compliance Officer

SKF India (Industrial) Limited
Registered office: Chinchwad Gaon, Chinchwad, Pune 411033, Maharashtra, India
Tel: +91 (20) 6611 2501, Fax no: +91 (20) 6611 2396, Email id: industrialindia@skf.com
CIN: L28140PN2024PLC236396

SKF

FIGHTING FRICTION TO MOVE INDUSTRIES FORWARD



SKF India (Industrial) Limited
Annual Report 2025-26

ACROSS THE PAGES

CORPORATE OVERVIEW

1-78

Key Highlights of the Year	04
Our Journey	06
The Demerger Story	08
We are SKF India (Industrial)	12
Purpose, Values and Culture	14
Our Presence	16
Segments in Focus	18
Strategic Imperative	20
How We Create Value	22
MD's Message	24
Board of Directors	28
Operational Discipline and Performance	34
Customer Success Stories	50
Environmental Responsibility	54
People and Safety	58
Community Engagement	68
Governance	72
Awards and Accolades	76
Corporate Information	78

STATUTORY REPORTS

79-228

Directors' Report	79
Management Discussion and Analysis	95
Corporate Governance Report	122
Notice	164

FINANCIAL STATEMENTS

229-299

Scan this QR Code to access the Investor Relations page



Or visit,
<https://www.skf.com/in/investors/skf-india-industrial-ltd/financial-results>

INVESTOR INFORMATION

Market Capitalisation (as of 31 st March, 2026)	INR 14,030.99 Crores
CIN	L28140PN2024PLC236396
BSE Code	544572
NSE Symbol	SKFINDUS
AGM Date	13 th August, 2026
AGM Mode	Video Conferencing ('VC')/Other Audio-Visual Means ('OAVM')

Disclaimer

This document contains certain statements relating to future events and financial performance of SKF India (Industrial) Limited ('The Company') that constitute forward-looking statements. Such statements are based on current expectations, estimates and assumptions of the Company and therefore involve inherent risks and uncertainties. Actual results may differ materially from those expressed or implied in these statements due to various factors beyond the Company's control. Readers are advised not to place undue reliance on these forward-looking statements. The Company undertakes no obligation to publicly update or revise any forward-looking statements. This document should be read in conjunction with the assumptions, qualifications and risk factors discussed in the Management Discussion and Analysis section of this Annual Report.



We delivered revenue from operations of INR 34,403.6 Million year-to-date, including INR 9,457.2 Million in the fourth quarter, reflecting quarter-on-quarter growth of 9.8%. This performance was supported by the strong commercial momentum and the resilience of our operating model.

Mukund Vasudevan

Managing Director

FIGHTING FRICTION TO MOVE INDUSTRIES FORWARD





FRICION IS INHERENT TO MOTION. IN INDUSTRY, IT APPEARS AS INEFFICIENCIES, COMPLEXITY, DELAYS, AND UNTAPPED POTENTIAL. HOWEVER, FIGHTING FRICTION IS ESSENTIAL FOR PROGRESS AND THAT IS WHAT WE DO BEST.

The question has never been whether friction exists. It always does. The question is what one chooses to do about it.

At SKF India (Industrial), our answer has always been the same: Fighting Friction. Relentlessly, thoughtfully, and with the application expertise built through decades of partnership with the industries we serve.

In FY 2025-26, that commitment gained sharper focus. The demerger created a dedicated industrial organisation with the clarity and agility to serve sectors where

reliability is critical and downtime comes at a high cost. In industries such as railways, renewable energy, metals, mining, and heavy engineering, that focus is not a luxury. It is what keeps industries moving forward.

During the year, we strengthened localisation, advanced digital solutions, aligned manufacturing with customer needs, and progressed our 'Factory of the Future' journey in Pune. Together, these initiatives help customers improve reliability, efficiency, and performance.

Yet fighting friction extends beyond technology and operations. It is reflected in the people we develop, the culture of ownership and safety we foster, and our commitment to sustainability and responsible growth.

Because progress is not defined by the absence of friction, but by the ability to overcome it.

That is what moves industries forward. And that is what drives SKF India (Industrial) every day.

DRIVING GROWTH ACROSS FRONTIERS



FINANCIAL

INR 34,403.6 Mn
Revenue from Operations

INR 34,994.8 Mn
Total Income

INR 2,176.7 Mn
Profit After Tax

INR 44.0
Earnings per Share

15.6%
Return on Net Worth

13.0%
EBITDA Margin (Considering Profit Before Exceptional Items)

INR 298.7
Book Value per Share

28.2%
ROCE (Considering Profit Before Exceptional Items)



OPERATIONS

40+
Industries Served Globally

120+
Distributors across India



SUSTAINABILITY*

Environment

51.55 GWh
Total Energy Used

2,257.8 MT
Waste Recycled

50.11 GWh
Green Energy Generated (Onsite and Offsite)

379.39 tCO₂e
Total GHG Emissions Intensity (Scope 1 and Scope 2)

97%
Energy Used is from Renewable Sources

Social

100%
Employee Retention Rate

ZERO
LTIFR

127
New Employees Hired

100%
Suppliers Upgraded Under Ethical Sourcing and CoC Compliance Framework (Direct and Indirect Based on Business Priority)

Governance

33.3%
Women's Representation on the Board

*Industrial sites considered based on the delivery ratio for industrial production

ADVANCING THROUGH TIME

Our journey reflects a steady evolution shaped by engineering excellence, expanding capabilities, and a deepening alignment with India's industrial growth. From establishing an early presence in the country to building a strong manufacturing and technology footprint, each phase has strengthened the ability to serve diverse customer needs. This progression has culminated in a defining transformation in 2025, creating two focussed entities positioned to drive the next phase of growth with greater clarity, agility, and purpose.

1961

Incorporated as Associated Bearing Company, strengthening presence in India.



1923

Entry into India through trading operations in Calcutta (now Kolkata)



1907

Founded by Sven Wingquist following the invention of the self-aligning ball bearing, establishing a legacy in precision engineering



1964

Commissioned the first manufacturing facility in Pune for rolling bearings



1989

Expanded with a second manufacturing facility in Bengaluru to serve domestic and export markets

2004

Established an Application Development Centre in Bengaluru to support localised engineering solutions



2011

Set up a Global Technical Centre in Bengaluru for advanced engineering and technology development



2010

Commissioned new factories in Haridwar and Ahmedabad to meet growing demand across automotive and industrial segments



2012

Established a seals manufacturing facility in Mysore, strengthening the product portfolio across applications



2021

Set up a Remanufacturing Centre in Ahmedabad, supporting sustainability and circularity initiatives

2022

Installed a state-of-the-art Truck Hub Unit facility in Pune to enhance automotive capabilities

2025

- Added capacity for tapered HUB bearings in Pune
- Installed a UC insert bearing channel
- Expanded CRB capacity in Bengaluru
- Refreshed brand identity

COMPLETED THE DEMERGER
IN 2025, RESULTING IN TWO
FOCUSSED ENTITIES:

SKF AUTOMOTIVE (SKF VERTEVO)



SKF INDIA (INDUSTRIAL)



FOLLOWED BY THE PUBLIC LISTING IN
DECEMBER 2025



2024

Installed a new HUB1 channel
in Pune

2023

- Achieved SPS Phase 2 certification at the Pune and Bengaluru sites
- Installed a DGBB channel in Pune

THE POWER OF TWO: A STRATEGIC EVOLUTION

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

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

Focussed on Distinct Industry Requirements

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

Tailoring sector-specific strategies to meet unique market requirements

Strengthening capital discipline through business-aligned investment frameworks

Improving responsiveness via agile, application-focussed operating models

Enhancing transparency with clear performance benchmarks

Two Independent Businesses, Clearer Execution



Industrial

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



Automotive (SKF Vertevo)

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

Focussed Capital Allocation and Shareholder Continuity

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



Shareholder Continuity

To ensure continuity of ownership while enabling participation in both growth journeys, shareholders

Industrial Business

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

Automotive Business

Planned investments of INR 4,100 to INR 5,100 Million, directed towards scaling capabilities in electric vehicles, two-wheelers, and advanced wheel-end technologies across existing facilities.

received one share of SKF India (Industrial) Limited for every share held in SKF India Limited.



Independent Operations, Shared SKF Strength

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

Governance



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

Capital Allocation



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

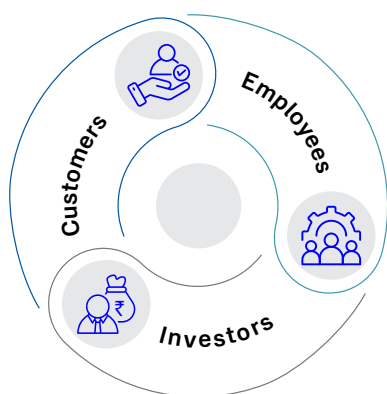
Innovation



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



Value for...



...Customers

Greater sector focus enables deeper application-specific expertise, faster response times, and more customised solutions aligned to industry requirements.

...Investors

Enhanced transparency provides clearer visibility into two distinct business models, improving the ability to evaluate performance, growth, and return profiles.

...Employees

The transition creates focussed organisations with clearer strategic direction, enabling deeper specialisation, capability building, and growth aligned to sector-specific opportunities.

The Way Forward

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

ACCELERATING INDIA'S INDUSTRIAL MOMENTUM

SKF's journey in India began in 1923, laying the foundation for bringing advanced bearing technologies and engineering solutions to a rapidly industrialising economy. Over the decades, we have combined global technology leadership with deep local manufacturing and customer proximity. Today, SKF India (Industrial) Limited continues this legacy as a focussed entity, leveraging the demerger to serve the evolving needs of India's industrial ecosystem.

Network and Reach

1

State-of-the-Art
Manufacturing Facility

3

Offices Nationwide

120+

Distribution Partners

900+

Dedicated Professionals





Core Industries Served



Renewable Energy (Wind)



Agriculture



Metals



Electric and Fluid Power



Heavy Industries



Railways

ⓘ These are detailed further in the Segments in Focus section (refer pages 18–19)

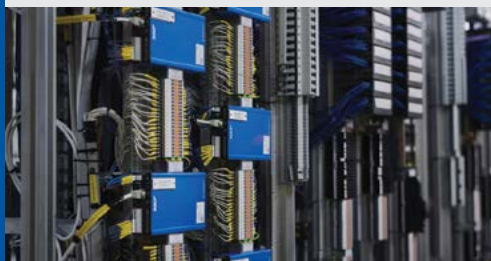
Integrated Solutions Portfolio



→ Bearings



→ Lubrication Systems

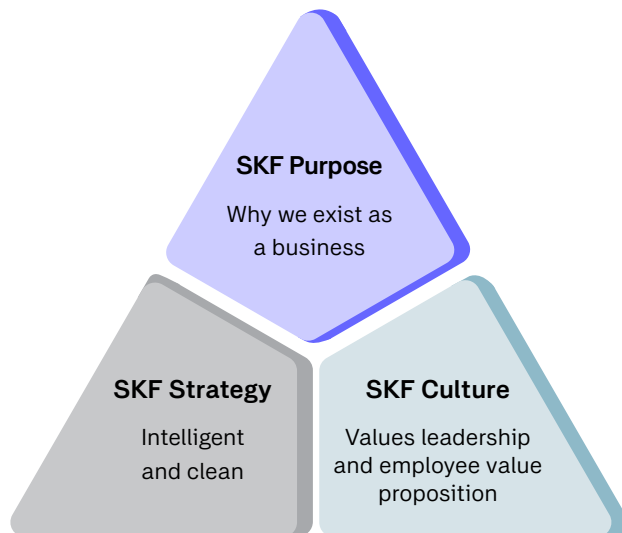


→ Condition Monitoring Solutions



→ Engineering Services

HOW DOES OUR PURPOSE, STRATEGY AND CULTURE CONNECT?



1

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

2

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

3

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.

4

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

The Value of Values -

4Cs for Impact

We use our values to guide us in our 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.



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. <i>Together, we</i>	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. <i>...re-imagine</i>
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. <i>...rotation</i>	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). <i>...for a better tomorrow</i>

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.

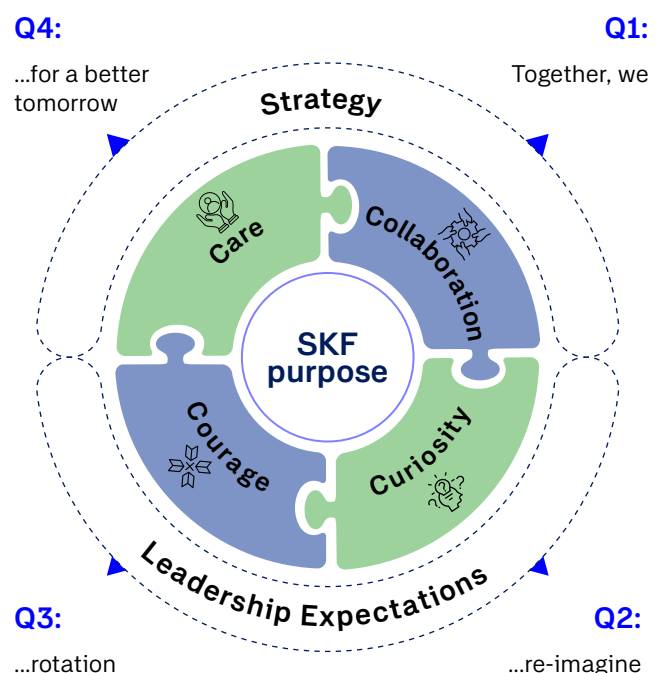
The SKF Culture Wheel is an important part of the Purpose activation and overall drive to transform SKF's culture towards being a purpose-driven organisation.

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.



OUR PRESENCE

POWERING INDUSTRIAL OPERATIONS NATIONWIDE

We operate across India's major industrial clusters through a manufacturing, distribution, and service footprint that anchors our operational excellence. Built to deliver reliability, responsiveness, and application-led value where it matters most, this network combines advanced manufacturing capabilities, agile supply channels, and expert service support, strengthening our ability to meet critical industrial demands with precision and consistency across regions to serve our markets and our customers better.

1

State-of-the-Art
Manufacturing Facility

120+

Distributors across India

Excellence in Execution

Operational excellence defines how our manufacturing network performs each day. Designed around customer applications and real operating conditions, it brings the agility, precision, and consistency required across diverse industrial sectors. This application-led approach moves us beyond standardised production, enabling us to deliver solutions closely matched to specific performance needs.

Core Operational Drivers



Flexible manufacturing systems support faster changeovers, shorter batch runs, and responsive execution



Advanced automation and digital monitoring improve process control, productivity, and equipment reliability

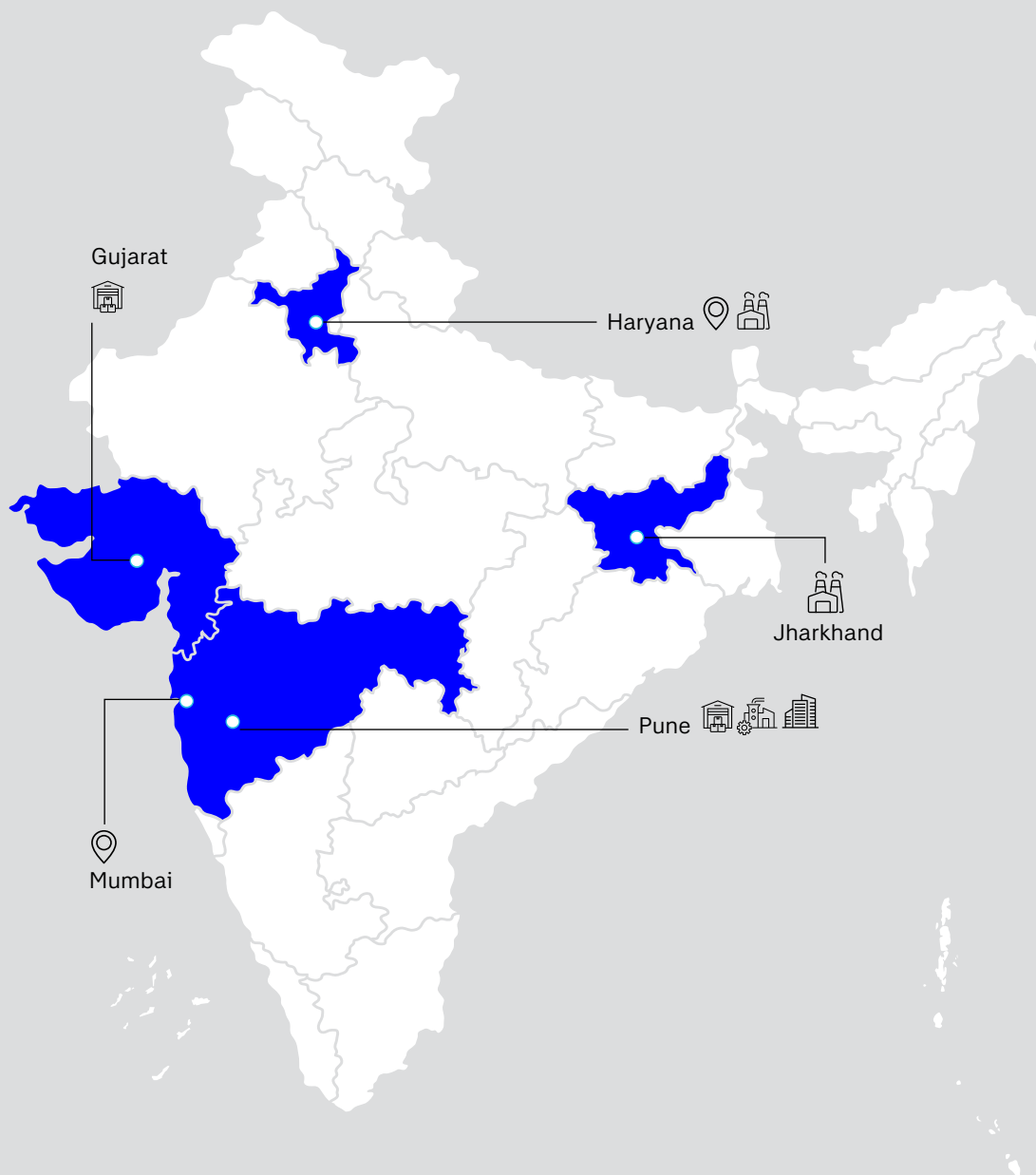


Lean practices and continuous improvement drive efficiency, quality, and waste reduction



Strong execution discipline ensures accountability, consistency, and dependable delivery

[Read more about Operational Excellence on pages 34-43](#)



OUR INDIA FOOTPRINT

- Office
- Branch Office
- Factory
- Solution Factory
- Warehouse

Disclaimer: This map is a generalised illustration only for the ease of the reader to understand the locations, and it is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features/ states do not necessarily reflect the actual position. Our Company or any of our Directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. Our Company does not warrant or represent any kind of connection with its accuracy or completeness.

Scaling for Tomorrow: The Pune Expansion

We are investing in Pune to further strengthen our manufacturing capability. Envisioned as a 'Factory of the Future', the upcoming facility will bring together advanced infrastructure, digital enablement, and scalable operations, enabling us to expand capacity and improve operational efficiency. More than an expansion, it marks the next step in our journey of excellence, positioning us to support India's accelerating industrial transformation with speed, reliability, and sustained performance.

Building Future Capabilities

- | | |
|---|--|
| <p>Additional production channels to meet</p> <p>1 rising demand</p> <hr/> <p>Integrated warehousing and</p> <p>2 solution-oriented capabilities</p> <hr/> <p>Mounted product operations within</p> <p>3 one ecosystem</p> <hr/> | <p>4 Improved throughput and operating efficiency</p> <hr/> <p>Lower utility intensity through</p> <p>5 energy-efficient infrastructure</p> <hr/> <p>6 Greater supply chain agility and scalability</p> <hr/> |
|---|--|

ENGINEERING SOLUTIONS FOR CRITICAL INDUSTRIES

We operate across industries that are central to economic growth and industrial progress, where the nature of operations makes performance critical and leaves little room for error. Their varied demands call for more than standard solutions. Through application expertise and a solutions-led approach, we address our customer requirements with precision, staying aligned with their evolving needs while supporting productivity, reliability, and competitiveness.

Renewable (Energy)



Solutions and Applications

- We provide bearings, seals, lubrication systems, and condition monitoring solutions for wind turbines and related renewable energy equipment.
- ▼ These solutions improve reliability, efficiency, and lifecycle performance in demanding environments.

Segment Potential

- ▼ Renewable energy continues to gain relevance as industries increasingly focus on cleaner and more sustainable power sources.

SKF Edge

- ▼ We apply application-specific technologies that increase uptime, reduce maintenance needs, and support efficient energy generation.

Metals



Solutions and Applications

- We serve the metals industry with solutions for foundries, converters, casters, and rolling mills, designed to improve equipment reliability and productivity in harsh operating conditions.

Segment Potential

- ▼ Metals remain essential, supporting manufacturing, infrastructure, and broader industrial value chains.

SKF Edge

- ▼ Through robust bearing solutions and engineering expertise, we reduce downtime, optimise processes, and improve productivity.

Heavy Industries



Solutions and Applications

- We cater to heavy industries with bearings, lubrication systems, seals, and reliability services that enhance performance and extend asset life under high-load conditions.

Segment Potential

- ▼ Heavy industries remain integral to industrial development, infrastructure creation, and core economic activity.

SKF Edge

- ▼ We deliver engineering-led solutions that improve uptime, reduce friction, and strengthen operational efficiency.

Agriculture



Solutions and Applications

▼ We provide solutions for agricultural machinery and equipment requiring durability, efficiency, and reliable performance across varied field conditions.

Segment Potential

▼ Agriculture remains a vital sector, with increasing emphasis on productivity, mechanisation, and efficient farm operations.

SKF Edge

▼ Through application-focussed solutions, we improve machine reliability, extend service life, and support efficient farming operations.

Electric and Fluid Power



Solutions and Applications

▼ We cater to electric and fluid power applications across rotating equipment, drives, motors, and power transmission systems where efficiency and reliability are essential.

Segment Potential

▼ The segment is evolving with increased focus on automation, electrification, and energy-efficient operations.

SKF Edge

▼ We deliver advanced solutions that enhance equipment performance, reduce operational losses, and enable dependable operations.

Railways



Solutions and Applications

▼ We provide advanced bearing solutions, seals, and services for rail operators and rolling stock, improving reliability, efficiency, and service life.

Segment Potential

▼ Railways remain a key mode of transport, supported by ongoing focus on efficient mobility and infrastructure development.

SKF Edge

▼ We apply design expertise and application-specific innovations to help customers run cleaner, longer, and more reliably.

BUILDING A STRONGER INDUSTRIAL SKF BRAND

Our strategy for FY 2025-26 is centred on strengthening our position as a trusted industrial partner in the Indian industry. We combine deep localisation, sharper regional responsiveness, strong customer focus, robust digital capabilities, with a strong people-led culture of innovation to deliver sustainable and profitable growth.

As India's industrial landscape evolves towards higher efficiency, reliability, and sustainability, we bring together SKF's global technology leadership with locally relevant solutions that address specific operating conditions, customer needs, and growth opportunities.

1 Localisation: Building India-Centric Value Chains

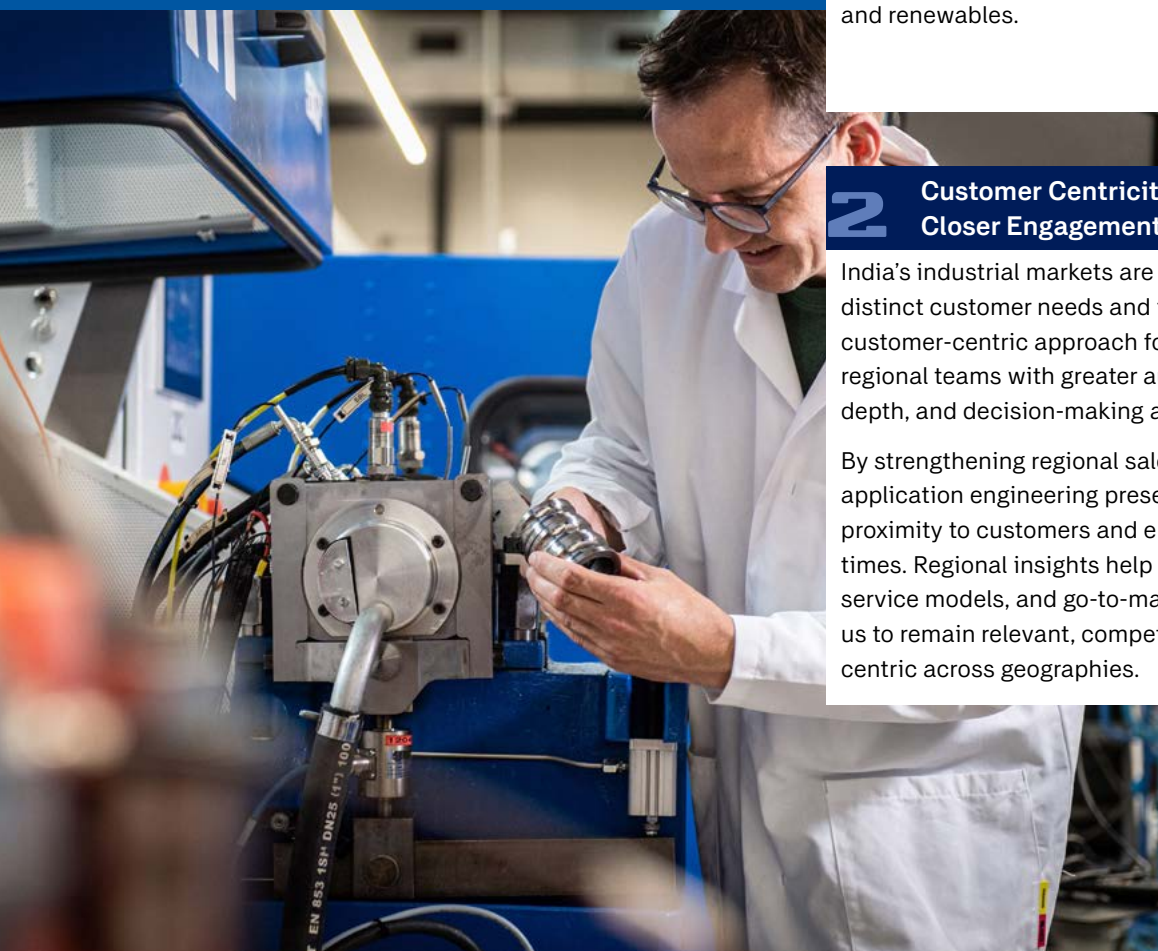
Localisation remains a strategic priority for SKF India (Industrial). We continue to enhance local manufacturing, sourcing, and engineering capabilities to improve supply-chain resilience, cost efficiency, and responsiveness to customers.

By increasing local manufacturing and strengthening domestic supplier ecosystems, we ensure continuity of supply in a dynamic geopolitical environment, while maintaining global SKF quality standards. Local application engineering and design capabilities enable us to develop products and solutions tailored to Indian operating conditions, industry requirements, and regulatory environments. This approach supports customers across key industrial segments such as power, metals, cement, mining, railways, and renewables.

2 Customer Centricity: Closer Engagement, Faster Decisions

India's industrial markets are regionally diverse, with distinct customer needs and industry dynamics. Our customer-centric approach focuses on empowering regional teams with greater autonomy, technical depth, and decision-making agility.

By strengthening regional sales, service, and application engineering presence, we enhance proximity to customers and enable faster response times. Regional insights help tailor solution offerings, service models, and go-to-market strategies, allowing us to remain relevant, competitive, and customer-centric across geographies.



3 Digitalisation: Enabling Smart, Data-Driven Solutions

Digitalisation is a critical enabler of our strategy. We are expanding the adoption of digital tools, data analytics, and connected solutions to enhance operational efficiency, asset reliability, and customer value.

Our focus includes

- Deployment of digital condition monitoring and predictive maintenance solutions
- Use of data-driven insights to enhance our service to our customers
- Digital integration across manufacturing, supply chain, and customer interfaces

By embedding digital capabilities into products, services, and internal processes, we help customers improve uptime, reduce lifecycle costs, and transition toward smarter and more sustainable operations.

5 People Focus: Developing Capability and Accountability

People remain at the heart of our strategy execution. We continue to invest in building technical, digital, and leadership capabilities to support long-term growth.

Key priorities include

- Upskilling teams in digital technologies, application engineering, and solution-led selling
- Leadership development to foster ownership, accountability, and collaboration
- Creating an inclusive, safe, and engaging workplace that supports learning and growth

A strong people focus ensures that our teams are empowered to innovate, adapt, and deliver consistent value to customers.

4 Innovation: From Products to Integrated Solutions

Our approach to innovation extends beyond products to solutions, processes, and business models. We encourage locally driven innovation that leverages global SKF research while addressing India-specific challenges.

Cross-functional teams work closely with customers to co-create solutions that improve performance, reliability, and sustainability. Continuous improvement, faster prototyping, and knowledge sharing across the SKF global network support our ambition to deliver differentiated value in a competitive industrial landscape.

6 Building a Strong, Cohesive Team

Execution excellence depends on a strong and aligned organisation. At SKF India (Industrial), we deeply focus on strengthening collaboration across manufacturing, sales, service, engineering, and supply chain functions to deliver the best for our customers as ONE SKF.

By fostering a culture of teamwork, transparency, and shared objectives, we display agility to adapt to evolving customer needs, faster decision-making, and building a more effective problem-solving focus among our employees. Alignment with SKF Group values and access to global expertise further strengthen our ability to deliver high-performance solutions.



Strategic Outlook

Through a balanced focus on localisation, customer centricity, digitalisation, innovation, and people development, SKF India (Industrial) is building an agile, resilient, and a future-ready organisation. This strategy positions us to support India's industrial growth while delivering sustainable value for customers, employees, and stakeholders.

ALIGNING EXPERTISE WITH YIELD

Resources We Deploy

Financial

- Equity: INR 14,768.5 Mn
- Assets (PPE & CWIP): INR 3,184.5 Mn

Manufactured

- Manufacturing facility: 1
- Warehouses/distribution centres: 7 (including the factory warehouse)
- Solution factories: 2
- Total capacity: 63.5 Mn bearings

Human

- Employees: 941
- Average training hours per employee per year: 30+ hours

Social and Relationship

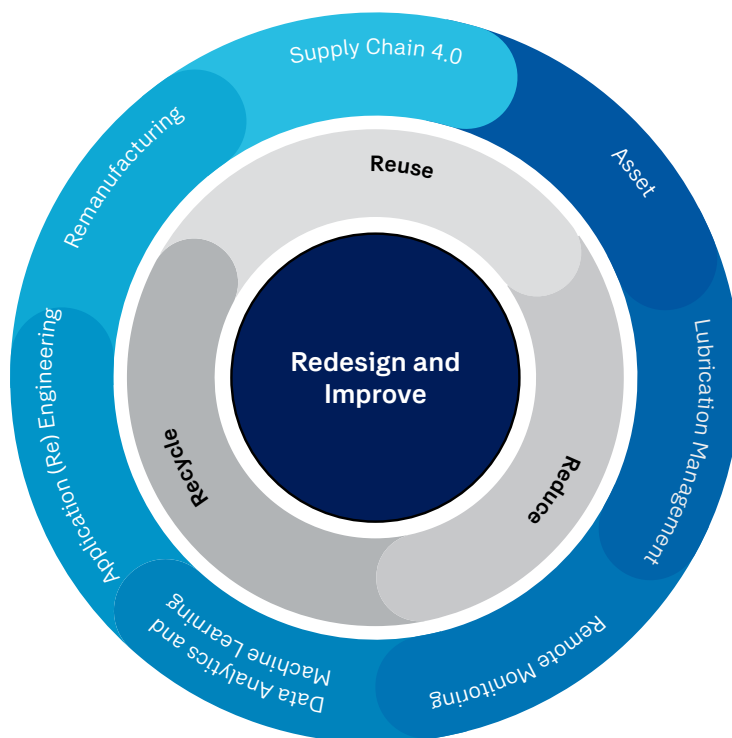
- Total suppliers: 2,918 (direct and indirect)
- Code of conduct sessions held: 20 (including 15 handholding sessions)
- Supplier special initiatives launched: 2

Natural*

- Total energy use: 51.55 GWh (97% from renewable sources)
- Water consumed: 52,377.8 KL

Value-Creation Approach

Our business model and strategy are built to create long-term value for stakeholders. Our strength lies in continually advancing technologies that enable solutions which enhance customer competitiveness while contributing to a more sustainable global society.



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.

The Value We Generate

Financial

- Revenue: INR 34,403.6 Mn
- EBITDA: INR 4,489.7 Mn
- Profit Before Tax (PBT): INR 2,212.7 Mn
- Profit After Tax (PAT): INR 2,176.7 Mn
- ROCE: 28.2% (Considering Profit Before Exceptional Items)
- Net cash flow (operations): INR 1,638.4 Mn

Manufactured

- Bearings produced in FY 2025-26: 60 Mn pcs
- New products in pipeline: 13
- Customer delivery lead time for stock item: Average 8 days
- Refurbished/remanufactured bearing for customers: 24,485 bearings

Human

- Gender diversity ratio: 26% women/74% men
- Recordable accidents: Zero
- Employees covered under the code of conduct: 100%

Social and Relationship

- Suppliers covered under the code of conduct: 100% direct and business priority based indirect material

Natural*

- Scope 1 and 2 emissions: 379.39 tCO₂e
- RE generated onsite and offsite: 50.11 GWh (including 21.6 GWh IRECs)
- Waste recycled: 2,257.8 MT
- Waste safely disposed (energy recovery): 1,915.7 MT

Impact (FY 2025-26)

Value Created

INR 34,994.8 Mn gross income

Value Retained

INR 14,274.0 Mn retained earnings

Value Delivered to Stakeholders

Return to Shareholders

- INR 49.4 dividend
- INR 14,030.99 Cr market capitalisation

Sustainable Initiatives

- 2,257.8 MT waste recycled

Our Contribution to Indian Economy

- INR 36.0 Mn taxes
- 941 employment created (including workers)
- 36% revenue from value added products

Value Created for Our Suppliers

- 60% current overall localisation level
- 78% local procurement

Value for Our Employees

- INR 2,152.9 Mn in wages and benefits
- Zero LTIFR
- Zero fatalities

■ Value created

■ Value eroded

■ Value preserved

*Industrial sites considered based on the delivery ratio for industrial production

DEFINING THE NEXT PHASE OF INDUSTRIAL FOCUS

Mukund Vasudevan
Managing Director

INR **34,403.6** Mn
Revenue from Operations

INR **2,176.7** Mn
Profit After Tax

9.8%
Quarter-on-Quarter Growth in Revenue
from Operations in Q4 of FY 2025-26

Dear Stakeholders,

FY 2025-26 marked the beginning of a transformative new chapter for SKF India (Industrial) Limited. Following our successful demerger and subsequent listing, we now operate as a sharply focussed industrial enterprise, structurally aligned with the markets we serve and the customers we support. We delivered revenue from operations of INR 34,403.6 million year-to-date, including INR 9,457.2 million in the fourth quarter, reflecting quarter-on-quarter growth of 9.8%. This performance was supported by the strong commercial momentum and the resilience of our operating model.

Strategic Alignment in a Changing Landscape

Global markets continue to be shaped by structural shifts that are no longer temporary disruptions. Geopolitical realignments, supply chain restructuring, and cost pressures represent a new operating reality that demands strategic adaptation rather than tactical responses.

At the same time, India continues to invest steadily in infrastructure and manufacturing, supported by strong domestic demand. With GDP growth estimated at 7.6% and a record capital expenditure outlay of INR 12.2 Trillion in the Union Budget 2026-27, India continues to strengthen its position as one of the world's fastest-growing major economies.

These developments are creating significant opportunities across sectors such as metals, renewable energy, railways, mining, cement, industrial automation and general



We delivered revenue from operations of INR 34,403.6 Million year-to-date, including INR 9,457.2 Million in the fourth quarter, reflecting quarter-on-quarter growth of 9.8%. This performance was supported by the strong commercial momentum and the resilience of our operating model.



machinery, wherein SKF Industrial remains well positioned to support this phase of manufacturing and industrial growth.

Performance Rooted in Balance and Discipline

Our growth during the year was broad-based and well-diversified, reflecting the strength of our portfolio approach:

- OEM contributed 51% of sales, demonstrating deep integration with India's manufacturing ecosystem
- Distribution contributed 35%, reflecting strengthened market reach and improved channel effectiveness

- Railways, heavy industries, wind energy, and general machinery all delivered steady traction across end-user segments

This balance reflects resilience across market volatility and stems from a stable, predictable operating model that supports sustainable long-term growth.

Margins for the year reflected one-time transition costs associated with the demerger process. However, **underlying operating performance remained stable**, supported by disciplined execution, favourable portfolio mix, and sustained demand across key sectors. As transition-related costs normalise, the structural improvements in our earnings quality will become increasingly evident.

Demerger — Enabling Sharper Focus and Execution

The demerger of the Industrial business became effective on 1st October, 2025, followed by the successful listing of SKF India (Industrial) Limited on 5th December, 2025, marking the beginning of a new phase as an independent industrial enterprise. The demerger represents far more than organisational restructuring. It is a fundamental shift in how we operate, allocate capital, and respond to market opportunities.

As a dedicated industrial company, we now benefit from:

- **Greater clarity in capital allocation**, directing investment towards highest-value opportunities within our industrial portfolio

The demerger of the Industrial business became effective on 1st October, 2025, followed by the successful listing of SKF India (Industrial) Limited on 5th December, 2025

- **Faster, more agile decision-making**, with governance aligned to industrial priorities rather than diversified business requirements
- **Stronger alignment with industrial customer needs**, enabling more responsive and specific solutions for complex, demanding applications

Following the demerger, we plan to invest in a world class manufacturing facility in Pune. Additionally, we plan to strengthen the industrial platform with enhanced digital capabilities and application specific innovation. These investments may moderate margins in the near term while laying the foundation for long-term value creation. However, we remain focused on improving the margin profile through improvements in manufacturing and sourcing efficiencies, deepening localisation, pricing discipline and expanding sales of solutions.

Building Competitive Advantage Where It Matters Most

Our strategy in the region is centred on deep customer engagement, greater local presence, and the co-creation of solutions that address critical industrial needs and support shared growth.

Localisation as an Operational Advantage

During the year, we made meaningful progress in expanding domestic manufacturing capabilities across key product lines and applications. Advanced manufacturing channels were commissioned in the Pune factory for medium deep-groove ball bearings above 150 mm OD and UC-range ball bearing units. Overall localisation levels reached approximately 60%, with local procurement reaching approximately 78% during the year.

Our commitment to the region is underscored by planned investments of INR 8,000-9,500 Million through 2030 towards the 'Factory of the Future' initiative in Pune. This will create a future-ready manufacturing ecosystem. Localisation at SKF India (Industrial) extends well beyond cost competitiveness. It improves supply reliability, reduces lead times, deepens customer integration, and reduces exposure to global supply chain volatility.

The direction is clear—build a supply base that is closer to the customer and less dependent on external volatility. Over the coming years, we are **targeting localisation of up to 75% of our portfolio**, supported by the investments outlined above.

Technology-led Differentiation

Innovation at SKF is focussed on combining technology with our advanced product development, engineering, simulations together with digital solutions to solve critical customer challenges. Recent launches across India and globally, including energy-efficient bearings, application-specific sealed solutions and magnetic bearing technologies, reflect this direction. Together, these innovations improve uptime, extend equipment life, and reduce lifecycle cost, strengthening our ability to deliver differentiated value in demanding industrial applications.

Digital initiatives such as intelligent product selector tools and AI-enabled condition monitoring solutions are further improving responsiveness, application accuracy, and customer engagement. The result is higher energy efficiency, fewer interventions, higher reliability under stress, and lower total cost of ownership, making this a sustainable competitive advantage.

From Products to Lifecycle Outcomes

The industrial market is undergoing a fundamental shift in what customers value. Expectations are evolving beyond component supply to enhanced uptime, reliability, and lifecycle performance. This plays to our strengths in core engineering and shapes how we are building SKF India (Industrial) for the next phase of growth.

By combining our product portfolio with engineering expertise, condition monitoring systems, lubrication solutions, and digital capabilities, we are positioning

ourselves as a provider of integrated lifecycle solutions. This approach is already generating measurable results, including **solution-led projects secured at strong margins upwards of 25%** through localised, integrated offerings across sectors such as railways and heavy machinery.

People and Culture — Foundation of Consistent Performance

A focussed industrial organisation requires not only stronger capabilities, but also a culture of ownership and rigour at every level. We have invested deliberately in building this foundation:

- Strengthening commercial and technical depth across customer-facing and engineering teams
- Expanding leadership development, talent management and capability-building programmes
- Advancing diversity, with female representation improving to **26% from 17.5%**
- Improving process discipline on the shop floor, embedding digital monitoring across key production areas, and driving faster decision-making on deviations

We remain committed to fostering a safe, inclusive, and engaging workplace, earning the 'Most Preferred Places to Work 2025-2026' recognition and reinforcing our position as an employer of choice.

Circular and Sustainable — From Obligation to Competitive Advantage

Sustainability has evolved beyond compliance to become embedded in how we operate and create value for customers.

During the year, our operations were **powered approximately 97% by renewable energy**, significantly reducing our carbon footprint while strengthening credentials with customers facing their own decarbonisation pressures. Energy efficiency initiatives delivered measurable improvements across manufacturing locations.

Equally important is the sustainability value we create for customers. Our circular solutions, including remanufacturing and oil recovery programmes (RecondOil), help customers reduce emissions by **up to 90%** while improving lifecycle efficiency. This represents sustainability as a source of customer value and competitive differentiation, not merely compliance.

Communities We Serve

Through our CSR initiatives, we focus on improving access to quality education, enhancing employability through skill development, promoting water stewardship and supporting inclusive community development. During the year, we continued to strengthen our community partnerships through initiatives such as STEM education, scholarships for girls and Divyang students, vocational training for underserved youth, water conservation projects and sports development programmes for children, including those with special needs.

Looking Ahead — Scaling with Stronger Fundamentals

As we move forward, our strategic priorities are clear and focussed:

- Deepen localisation further and strengthen supply chain resilience to serve customers with greater reliability
- Accelerate the transition toward service-led and lifecycle-oriented revenue streams where margins and relationships are more durable
- Improve earnings quality through disciplined portfolio management and sustained operational excellence

Our ambition is not simply growth, but to **double the business while delivering higher-quality earnings**, growth that is profitable, resilient, and sustained over time.

Fighting friction is at the core of everything SKF does. Today, that purpose extends beyond our products to improving how entire industrial systems operate, perform, and endure.

In an increasingly complex world, reliability will matter more than ever. Customers will place greater value on partners who deliver consistent performance, reduce downtime, and improve lifecycle economics across their most critical assets.

That is the space we are building SKF India (Industrial) to lead, with clarity of purpose, discipline of execution, and confidence in the opportunity ahead.

Warm regards,

Mukund Vasudevan

Managing Director
SKF India (Industrial) Limited

GUIDING DIRECTION
AND OVERSIGHT



Gopal Subramanyam

Chairman and Non-Executive
Independent Director

S R A C N

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

He worked for Larsen & Toubro (L&T) group of companies for more than three decades. At L&T, he was the CEO of their Joint Venture Companies, namely, L&T-Komatsu Ltd. and L&T-Howden Pvt. Ltd. He assists the CII Institute of Quality in its various Business Excellence initiatives. He is a jury member of the CII-EXIM Business Excellence Award (based on the EFQM model).

His past and current engagements include shepherding the ‘Skill India’ movement through his association with NSDC, L&T Skill Development Academy, and Nettur Technical Training Foundation (NTTF).

He is currently also a Board member of SKF India Limited and Titan Engineering & Automation Ltd., A Tata enterprise.

QUALIFICATION

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

SKILLS AND COMPETENCE*



AGE	70
DIRECTOR SINCE	1 st October, 2025
TENURE ON BOARD	6 months (as of 31 st March, 2026)
DIN NO.	06684319

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



Mukund Vasudevan

Managing Director

C S R

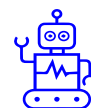
An entrepreneurial and results-oriented executive, Mukund possesses over 30 years of experience across diverse markets like India, Middle East, and USA. His expertise spans P&L management, strategy development, sales, and mergers and acquisitions. This comprehensive background equips him with strong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

QUALIFICATION

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

SKILLS AND COMPETENCE*



AGE	55
DIRECTOR SINCE	17 th December, 2024
TENURE ON BOARD	15 months (as of 31 st March, 2026)
DIN NO.	05146681

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



Anu Arun Wakhlu

Non-Executive
Independent Director

A N S R C

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

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

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

QUALIFICATION

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

SKILLS AND COMPETENCE*



AGE	68
DIRECTOR SINCE	1 st October, 2025
TENURE ON BOARD	6 months (as of 31 st March, 2026)
DIN NO.	00122052

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



Karl Robin Joakim Landholm

Non-Executive
Non-Independent Director

N

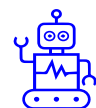
Joakim Landholm is Senior Vice President – Commercial and Operations Development at SKF, supporting the business globally. He oversees the strategic development across global industries, products, operations, supply chain and IT.

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.

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	1 st October, 2025
TENURE ON BOARD	6 months (as of 31 st March, 2026)
DIN NO.	09651911

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



Sujeeth Pai

Whole-Time Director

®

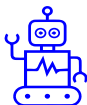
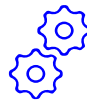
An experienced business leader with over 22 years of leadership experience across global technology and industrial environments. In his current role, he focuses on driving long-term profitable growth through operational excellence, innovation, and customer-centricity, with an emphasis on strengthening the organisation's end-to-end value chain. His strategic priorities include optimising manufacturing and supply chain performance, introducing new operational models, establishing new capacities, and embedding sustainability and agility across industrial operations in the ISEA and Middle East regions.

Sujeeth brings strong expertise in change management, distribution strategy, and P&L leadership, and is recognised for fostering a culture of empowerment and a growth mindset. His leadership approach combines strategic clarity with execution discipline, enabling teams to deliver consistent performance and long-term value.

QUALIFICATION

Sujeeth holds a Mechanical Engineering degree from P.E.S.I.T., Bengaluru, and an MBA from ISB, Hyderabad.

SKILLS AND COMPETENCE*



AGE	44
DIRECTOR SINCE	1 st October, 2025
TENURE ON BOARD	6 months (as of 31 st March, 2026)
DIN NO.	07763929

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

Ⓐ Audit

© Corporate Social Responsibility

Ⓔ Stakeholders' Relationship

® Risk Management



Ajay Naik

Non-Executive
Non-Independent Director

A

An experienced business leader with over 38 years of experience in global multinational organisations, with expertise spanning strategy, sales, business development, operations, sales, quality, sustainability, Six Sigma, and business excellence. He has led complex initiatives including business transformations, turnarounds, and the set-up of new businesses and manufacturing facilities, delivering sustainable performance aligned with organisational goals.

Ajay's strong people-centric and customer-focussed leadership approach, grounded in the belief that people are the key differentiator to business success, enables long-term value creation.

Currently based at SKF Headquarters in Gothenburg, he is responsible for sales across Central and Eastern Europe. Prior to this role, he led SKF's Industrial Operations in Europe.

QUALIFICATION

Ajay has completed a Mechanical Engineering Diploma from Cusrow Wadia Institute of Technology, Pune. He is part of many executive and leadership programmes for SKF group.

SKILLS AND COMPETENCE*



AGE	57
DIRECTOR SINCE	1 st October 2025
TENURE ON BOARD	6 months (as of 31 st March, 2026)
DIN NO.	07127264

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

CONVERTING AGILITY INTO INDUSTRIAL RELIABILITY

At SKF India (Industrial), engineering strength and disciplined execution define our operational identity. Following the demerger, we realigned our manufacturing and supply chain priorities to be application-led and responsive. This strategic recalibration ensures our technical rigour results in the high-performance reliability and precision our industrial partners demand.

Manufacturing Excellence

Aligning Production with Industrial Demand

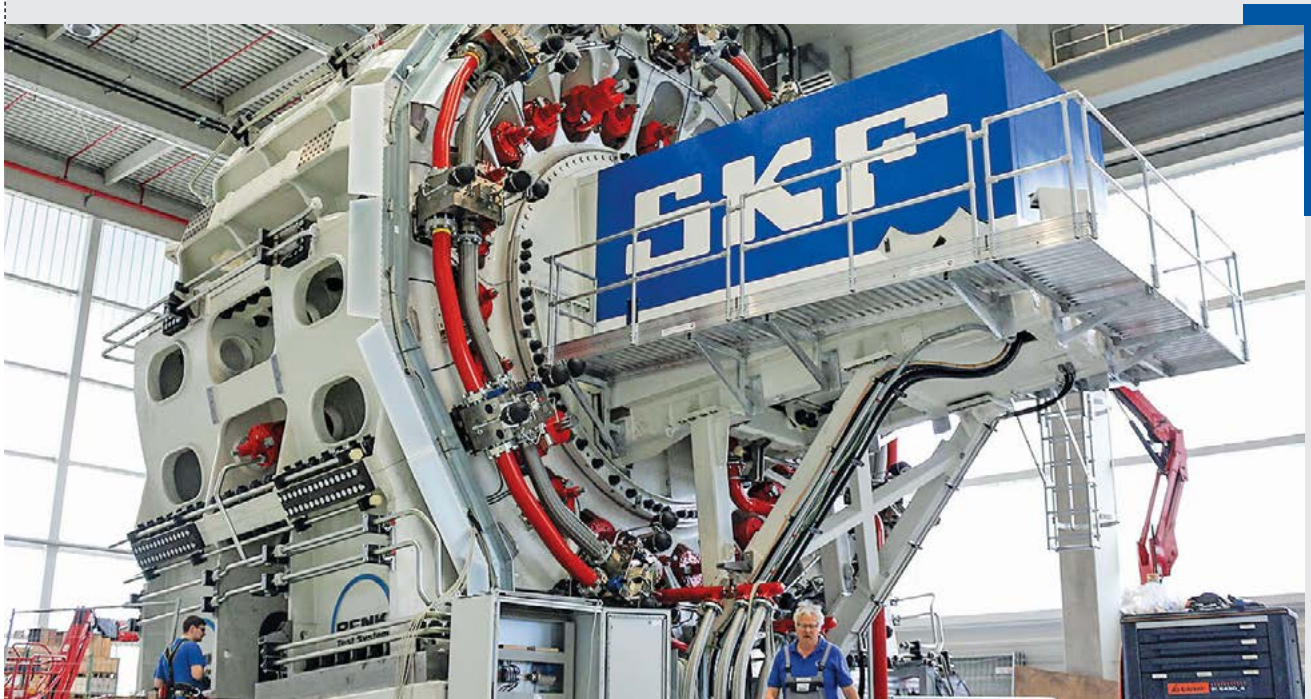
We are reshaping our manufacturing footprint to reflect specific industrial demands. Since product requirements vary by application and operating condition, our production systems are now organised based on application mapping. This ensures our manufacturing lines directly reflect the needs of sectors such as general machinery, agriculture, tractors, and electrical motors. Bearings above 150 mm OD continue to be supported through

SKF's global network, allowing our domestic footprint to remain focussed and efficient.

At the line level, we have enhanced our capabilities to support greater flexibility. We have established dedicated channels for specific applications, including tapered roller bearings (TRBs) for agriculture and specialised low-noise solutions for electrical motors. Our production channels accommodate flexible heat treatment, customised roller designs, and faster reset times,

enabling us to manage short-batch, high-variation industrial demand.

The industries we serve play a critical role in moving society forward by producing essential goods, generating employment, and supporting local communities. As part of this ecosystem, we continue to advance innovation and operational efficiency while working towards more responsible and sustainable industrial practices.



Manufacturing Footprint at a Glance

1 manufacturing location supporting Industrial segment

Pune serving as the primary Industrial hub

Strategy

Dedicated production ecosystems for key industrial segments



Manufacturing Capability Infrastructure

Advanced CNC grinding and machining

Automated assembly and robotic systems

IoT-enabled, digitally connected machines

Real-time monitoring and predictive maintenance

Lean layouts with ergonomic workstations

Lean

6

Kaizen initiatives

Building the Next Manufacturing Foundation

'Factory of the Future'

To support long-term Industrial growth, we are investing in a next-generation manufacturing facility in Pune. Designed as a 'Factory of the Future', this facility integrates manufacturing, solutions, and supply chain capabilities into a single, scalable platform.

We have structured this investment to optimise cost and speed by leveraging channel transfers from within India and from SKF's global network. This approach allows us to build capacity faster while maintaining capital discipline. Our investment decisions factor in critical risks such as regulatory compliance and capacity constraints. Delays in capacity creation could impact operational flexibility, limit export opportunities, and constrain our ability to scale industrial operations.

Investment Highlights

INR 6,500+ Mn
Total Proposed Investment



Investment Rationale

'FACTORY OF THE FUTURE'

To Create a Lean-Clean-Digital Manufacturing Site in Pune

12 (Existing) + 8 (New) Channels
Expected Scale-up in the New Factory

Clean*

50.11 GWh
Green Energy Generated (Onsite and Offsite)

379.39 tCO₂e
Total GHG Emissions Intensity (Scope 1 and Scope 2)

*Industrial sites considered based on the delivery ratio for industrial production

Success Stories

From Field Insight to Global Industrial Solution

	Industry	Mining, mineral processing and cement
	Application	Conveyor pulley
	Location of Development	Pune

The Challenge

Extreme operating conditions required stronger and more reliable housing solutions.



Co-developed and industrialised an advanced housing solution combining global engineering expertise with local manufacturing.



Value Delivered

- Proven performance in harsh environments
- Sustained demand
- Global rollout

Value Creation Approach

- Innovation
- Global-to-local integration
- Segment leadership

Source: SDVD Housing Development for Mining Applications

Operations Strategy

The Lean, Clean, and Digital Framework

Our approach to operational excellence is anchored in a framework built on three pillars: Lean, Clean, and Digital, supported by strong people capabilities.



Entering High-Value Industrial Applications

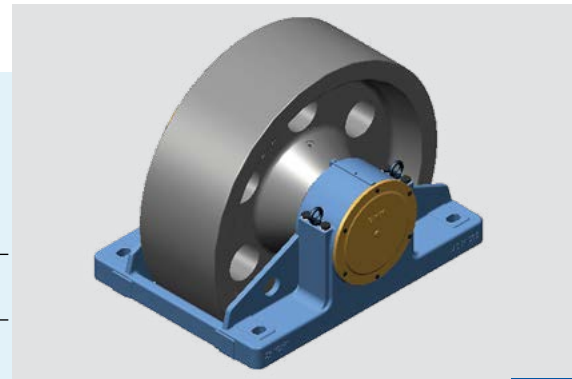
	Industry	Mining, mineral processing and cement
	Application	Support roller assemblies
	Location of Development	Pune

The Challenge

Design limitations restricted entry into high-value industrial applications.



Redesigned assemblies using engineering validation and integrated manufacturing.



Value Delivered

- Entry into a new segment
- Revenue growth potential
- Improved reliability

Value Creation Approach

- Engineering excellence
- Market expansion
- Value-added solutions

Source: Support Roller Assembly Development

LEAN

We focus on eliminating waste and improving flow across the value chain. The SKF Production System integrates safe workplace practices, built-in quality, and continuous improvement driven by shopfloor ownership. This year, we introduced flexible manufacturing models that support shorter production cycles and faster changeovers. Improvements in layout design and process standardisation have enabled us to respond better to demand variability.

Highlights

- SKF production system
- Lean material flow (end-to-end optimisation)
- Stability tools and process standardisation
- Continuous improvement (Kaizen, TPM)

CLEAN

We embed sustainability into our manufacturing philosophy, focussing on reducing environmental impact while improving operational efficiency. Our efforts span emissions reduction, circularity, water management, and resource optimisation. This year, we strengthened our initiatives through a circularity campaign and targeted investments in resource efficiency.

Highlights

- Lowered dependence on LPG through energy substitution equivalent to one cylinder per day

DIGITAL

We are transforming our operations into a connected, data-driven ecosystem. Smart factory systems provide real-time visibility and predictive insights for better decision-making. Post-demerger, we mitigated supply chain risks, including single-source dependencies and import exposure, through localisation, dual sourcing, and supplier capability development.

Highlights

- **Production:** MES (digital twin, monitoring), machine connectivity, AI-enabled inspection
- **Maintenance:** Condition monitoring, CMMS (eMaint), energy management systems
- **Supply Chain:** Warehouse and transport management systems, digital procurement, visibility tools

PEOPLE

We are enabling people to drive business transformation by building a future-ready, inclusive, and high-performing workforce. Our focus is on strengthening leadership capabilities, fostering a culture of trust, safety, and quality, and creating meaningful employee experiences. Through capability development, engagement initiatives, and succession planning, we are preparing our people and organisation to thrive in a rapidly evolving industrial landscape while supporting long-term business growth.

Highlights

- **Culture & Leadership:** Strengthening transformational leadership and reinforcing a culture of trust, inclusion, safety, and quality
- **Future Workforce:** Building critical capabilities and developing talent pipelines to support future business needs
- **Employee Experience:** Enhancing people engagement through learning, development, recognition, and wellbeing initiatives

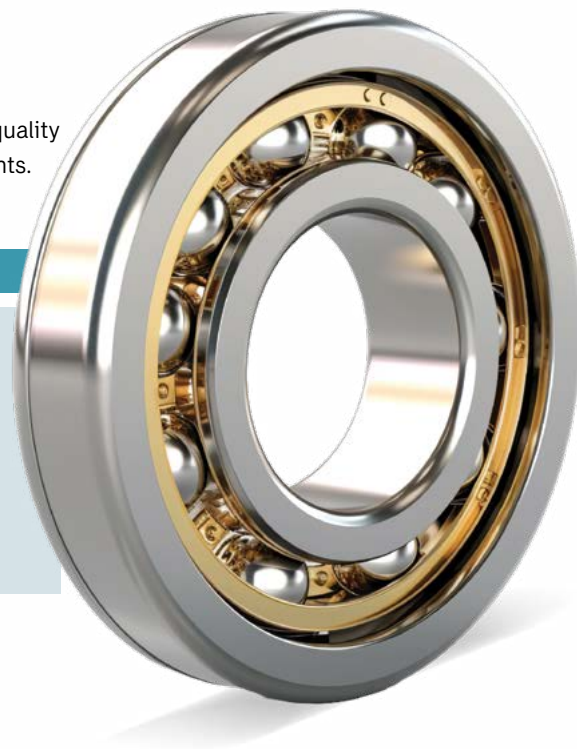
Quality Excellence

Ensuring Precision and Reliability in Execution

We define quality by precision and reliability under real-world operating conditions. We align design, process control, and validation with specific industrial application requirements. Our processes are supported by global quality systems and advanced testing, ensuring reliability in demanding environments.

Quality Systems Framework

- ISO 9001 and IATF 16949 standards
- Statistical process control and digital monitoring
- Advanced testing (noise, vibration, endurance)
- End-to-end traceability and continuous improvement (Six Sigma, TQM)



Success Stories

Eliminating Bottlenecks through Built-In Quality

	Industry	For all applicable industries
	Application	Inspection systems
	Location of Development	Pune

The Challenge

Third-party inspection slowed production and created bottlenecks.

SKF India (Industrial) SOLUTION

Implemented an end-of-line inspection system with poka-yoke.



Value Delivered

- Faster quality checks
- Reduced delays
- Cost savings

Value Creation Approach

- Quality excellence
- Lean operations
- Process efficiency

Source: End-of-Line Poka-Yoke Implementation



Process Excellence

Driving Productivity through Manufacturing Flexibility

We drive process excellence by improving throughput and reducing variability. During the year, we

prioritised processes requiring high flexibility and faster development cycles. A pilot in the tapered roller

bearing product line demonstrated the effectiveness of flexible manufacturing models, including the use of locally developed machines to improve capital efficiency.

To further support application-specific production, we have redesigned our manufacturing layouts. This redesign improves control over variability and enables a faster response to market demands.



Success Stories

Enabling Real-Time Visibility through Digital Traceability

	Industry	For all applicable industries
	Application	Shopfloor traceability
	Location of Development	Pune

The Challenge

Limited traceability led to inefficiencies and higher losses.

SKF India (Industrial) SOLUTION

Implemented integrated digital tracking and analytics systems.



Value Delivered

- Improved visibility
- Reduced scrap
- Faster decisions

Value Creation Approach

- Digital transformation
- Process transparency
- Efficiency

Source: Material Traceability System Development

Success Stories

Simplifying Complexity through Standardisation

	Industry	For all applicable industries
	Application	Housing design standardisation
	Location of Development	Pune

The Challenge

Multiple design variations increased complexity and engineering effort.

SKF India (Industrial) SOLUTION

Developed a unified design platform consolidating variations into a standardised solution.



Value Delivered

- Reduced tooling duplication
- Faster development cycles
- Improved efficiency

Value Creation Approach

- Design optimisation
- Efficiency
- Scalability

Source: SD Housing Optimisation Project

Localisation and Supply Chain

Strengthening Resilience through Domestic Integration

Localisation is a strategic lever to enhance responsiveness and resilience. Following the demerger, we recalibrated our strategy to strengthen domestic sourcing and further build our supplier capabilities. Additionally, we refined our planning to balance availability for uptime-critical applications with inventory discipline and working capital efficiency.



Localisation Metrics

60%
Current Overall
Localisation Level - for
SKF India (Industrial)

75%
Aspirational
Localisation Target

Success Stories

Rewiring the Supply Chain
through Localisation

 Industry	General machinery
 Application	Component sourcing and supply chain optimisation
 Location of Development	Pune

The Challenge

Dependence on imported components led to extended lead times, higher costs, and elevated inventory levels, limiting responsiveness across operations.

SKF India (Industrial)
SOLUTION

Localised critical components by identifying and qualifying domestic suppliers, validating materials, and refining designs through cross-functional collaboration.



Value Delivered

- Lead time reduction of up to 75%
- Cost savings of approximately INR 1.4 Million
- Improved supply continuity and inventory efficiency

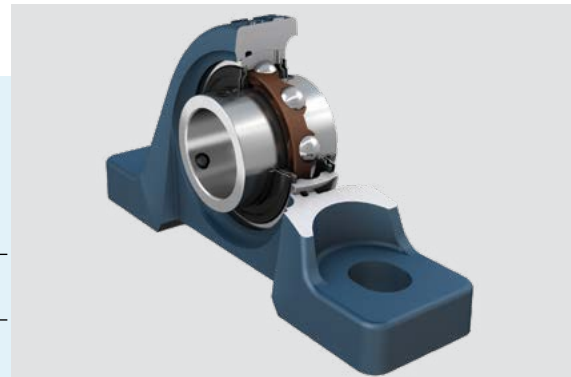
Value Creation Approach

- Localisation
- Supply chain resilience
- Cost optimisation

Source: Localisation of Snap Rings, Spring Plates and Rotary Dressers (Pune)

Unlocking Supply Chain Agility through Local Manufacturing

 Industry	General machinery
 Application	Textiles
 Location of Development	Pune



The Challenge

Dependence on imported inserts created supply bottlenecks and high inventory levels, impacting service reliability.



Executed a phased localisation programme across components, tooling, and production processes

Value Delivered

- Service failures reduced from 30% to 8%
- Inventory reduced by nearly 50%
- Improved delivery reliability

Value Creation Approach

- Localisation strategy
- Working capital efficiency
- Competitive responsiveness

Source: UC Insert Localisation Project

Capability Building

Reinforcing the Specialised Industrial Ecosystem

Our localisation efforts include manufacturing processes and workforce capabilities. We prioritise processes requiring rapid response and strengthen specialised industrial skills. Our Learning and Development function acts as a strategic partner, translating business priorities into technical and digital training to lead Industry 4.0 transformations.



R&D and Product Innovation

Our approach to research and development is shaped by the evolving demands of industrial applications, where operating conditions, performance requirements, and customer expectations vary significantly across sectors. Innovation is driven by application-specific challenges, field conditions, and the need to deliver reliable, efficient, and fit-for-purpose solutions across diverse industrial environments.

We operate within structured development and validation processes, where products and solutions are tested against demanding operating parameters, application requirements, and performance standards. Our engineering focus remains centred on reliability, operational efficiency, noise reduction, durability, energy optimisation, and enhanced equipment performance to support productivity and uptime across industrial operations.



Responding to Customer Challenges

Our application engineering teams proactively engage when customers face critical performance issues such as premature failures, extreme operating conditions, and uptime-sensitive operations. These scenarios often involve high loads, contamination, moisture, temperature variation, or inefficiencies arising from friction and misalignment.

We also support non-standard and legacy systems where catalogue products are insufficient, working closely with product development teams to deliver tailored engineering solutions.

Leveraging Global Platforms with Local Insight

We combine global engineering platforms with strong local expertise to deliver solutions aligned with real operating conditions. Our global capabilities include advanced bearing technologies, sealing systems, lubrication solutions, and simulation tools, supported by standardised methodologies.

This is complemented by our deep local understanding of customer

processes, duty cycles, machine configurations, and competitive landscapes, ensuring solutions are both technically robust and operationally relevant.

Integrating Field Feedback into Design

We maintain a continuous feedback loop between field performance and product development. Learnings from critical failures are captured through structured root cause and failure analysis, while competitive developments are tracked and integrated into R&D priorities.

This ensures that our solutions remain aligned with evolving performance expectations and emerging industry requirements.

Delivering Measurable Application Impact

Our application-led approach delivers tangible improvements across key performance areas:

Improved uptime and reliability through optimised bearing and sealing solutions in demanding environments

Reduced total lifecycle cost through upgraded bearing arrangements and re-lubrication concepts, extending service intervals

Enhanced productivity and efficiency through application-specific designs that reduce friction losses and improve throughput

These outcomes directly support higher equipment availability, lower maintenance frequency, and improved energy efficiency.



Innovation Priorities and Future Readiness

Following the demerger, our innovation focus has become more sharper towards application-led, customer-specific solutions, moving away from standardised, volume-driven platforms. We are strengthening collaboration across technology, product development, application engineering, manufacturing, and supply chain functions to accelerate deployment of technologies such as sensors and advanced surface engineering.

We are also building partnerships with external ecosystems to adapt proven technologies and respond faster to evolving market needs.

Preparing for Increasing Complexity

We are strengthening our ability to address evolving customer requirements by:

Building deeper application engineering capability

Modularising product platforms for faster customisation

Expanding into adjacent segments using transferable expertise

This ensures agility in responding to increasing system complexity and performance expectations.

Embedding Sustainability into Innovation

Sustainability is integrated into our innovation approach through:

Energy-efficient product designs with lower friction and optimised lubrication

Extended service life and material optimisation, reducing resource consumption

Remanufacturing and circular solutions, including reuse and refurbishment

These initiatives align sustainability outcomes with lower total cost of ownership (TCO) for our customers.

Governance for Speed and Rigour

Our innovation is governed through structured frameworks that balance speed with discipline.

Application-specific and customer-specific governance mechanisms guide critical project approvals

Stage-gate processes ensure structured development

Early customer involvement reduces development risk

Cross-functional decision-making balances speed, quality, and return

We maintain a strong focus on manufacturability, scalability, and lifecycle economics, ensuring that innovation delivers sustainable value.

Advancing Digital Capabilities

Digital solutions are a key enabler of our future offerings. We are enhancing:

Condition monitoring and predictive maintenance capabilities

Real-time asset health insights and remaining useful life estimation

Outcome-based service models focussed on uptime and reliability

These capabilities support a transition towards integrated systems and service-led solutions.

Innovation Ecosystem

R&D excellence (advanced technical centre)

Digital solutions (predictive maintenance platforms)

Circular innovation (RecondOil, remanufacturing)

Startup collaborations and academic partnerships



Success Stories

Extending Reliability in Steel Mill Operations

 Industry	Metals
 Application	Wire rod mill guide roll systems
 Location of Development	Developed jointly in Pune and Bengaluru

The Challenge

Wire rod mills operate under extremely harsh conditions involving high temperatures, severe thermal shocks, continuous water spray, and high operating speeds. Conventional guide rollers and bearings failed within approximately eight hours, leading to unplanned downtime, excessive maintenance, scrap generation, and higher operating costs.

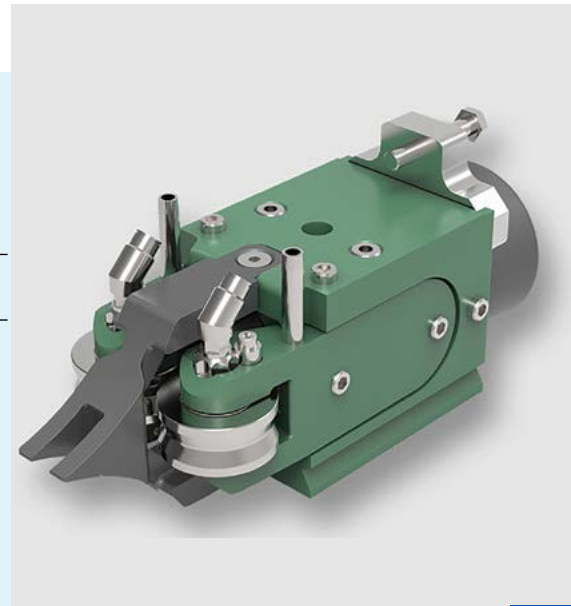
SKF India (Industrial) SOLUTION

Developed an integrated engineered solution combining two patented innovations:

- Hydro-deflector shield bearing technology designed to reduce water ingress by 99%
- Laser-cladded multi-material guide roller delivering superior wear resistance, lower lifecycle cost, and remanufacturing capability

Patents

- Rolling bearing with hydro-deflector shield, published on 26th February, 2026
- Method for manufacturing a Guide Roller for Hot Wire Rolling Machine, filed on 9th June, 2025



Value Delivered

- 2x increase in bearing and guide roller life
- Lower downtime, maintenance effort, and operating cost
- Approximately 50% reduction in CO₂ emissions through extended component life and reduced scrap
- Strong sustainability impact aligned with circular economy principles
- Increased business potential across the metals sector

Value Creation Approach

- Innovation
- Sustainability
- Customer centricity
- Localisation

Source: Application-specific Deep Groove Ball Bearing with Superior Seals for Guide Roll in Wire Rod Mill

Enabling Stable Performance in High-temperature Applications

	Industry	Poly film and packaging
	Application	Continuous-duty high-temperature bearings
	Location of Development	Pune

The Challenge

Standard deep groove ball bearings operating in high-temperature environments experienced grease degradation, seal hardening, reduced internal clearance, and shorter operating life, resulting in frequent downtime and maintenance interventions.

SKF India (Industrial) SOLUTION

Developed application-specific High Temperature Deep Groove Ball Bearings featuring:

- Thick ring design for thermal stability
- Advanced ring stabilisation enabling operation up to 250°C
- High-temperature grease with improved oxidation resistance
- Optimised sealing geometry for reliable lubrication retention and contamination protection



Value Delivered

- Reliable bearing performance in continuous high-temperature operations
- Reduced maintenance frequency and improved uptime
- Successful validation through field trials and proto-orders
- Opened opportunities in poly film and packaging industries
- Enhanced estimated business potential for the next five years

Value Creation Approach

- Innovation
- Customer centricity
- People focus
- Building a strong, cohesive team

Source: Application-specific High-temperature Bearing

Optimising Bearings for Conveyor and Material Handling Applications

 Industry	Bulk material handling
 Application	Conveyor rollers and idler systems
 Location of Development	Pune

The Challenge

Material handling applications operate continuously in contaminated environments where conventional bearings are often over-engineered, increasing costs without proportional performance benefits. Customers required reliable, energy-efficient, and cost-effective solutions suited to moderate load and speed conditions.

SKF India (Industrial) SOLUTION

Developed an application-specific Deep Groove Ball Bearings (VA3871) engineered specifically for conveyor and material-handling applications with:

- Optimised internal geometry to reduce friction and heat generation
- Balanced cost-performance design
- Open, shielded, and sealed variants for diverse operating conditions



Value Delivered

- Improved reliability and longer bearing service life
- Reduced friction losses and improved energy efficiency
- Competitive positioning in value-driven applications
- Strong adoption across OEM, distributor, and aftermarket channels
- Improved annual business potential

Value Creation Approach

- Customer centricity
- Localisation
- Innovation
- Sustainability

Source: Application-specific Deep Groove Ball Bearing for Bulk and Light Conveyor Applications

Simplifying Critical Rotary Equipment Solutions

	Industry	Mining, Mineral processing, Cement and Metals
	Application	Rotary Furnaces, Kilns and Rotary Converters
	Location of Development	Kolkata

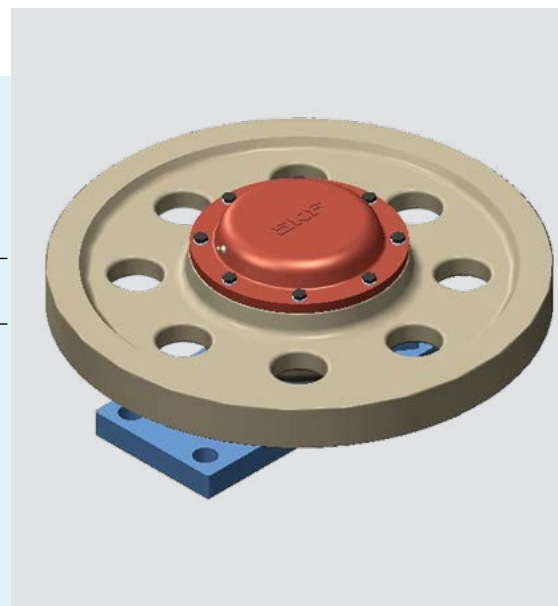
The Challenge

Rotary Furnaces, Kilns and Rotary Converters operate under very high loads and harsh environments, making support and thrust systems critical to uptime and productivity. Customers faced procurement complexity, installation challenges, contamination risks, and significant downtime from failures in bearings, rollers, and sealing systems.

SKF India (Industrial) SOLUTION

Delivered a fully integrated support and thrust roller assembly including bearings, housings, shafts, seals, lubrication systems, and mounting arrangements. The solution included:

- Ready-to-mount integrated design
- Structural, fatigue, and thermal analysis verification
- Upgraded non-contact sealing systems
- End-to-end engineering, logistics, and installation support



Value Delivered

- Improved reliability and reduced maintenance requirements
- Lower total cost of ownership for critical rotary assets
- Simplified procurement through single-source integration
- Reduced installation and alignment time
- Lower contamination-related failures and unplanned stoppages
- Improved annual business potential

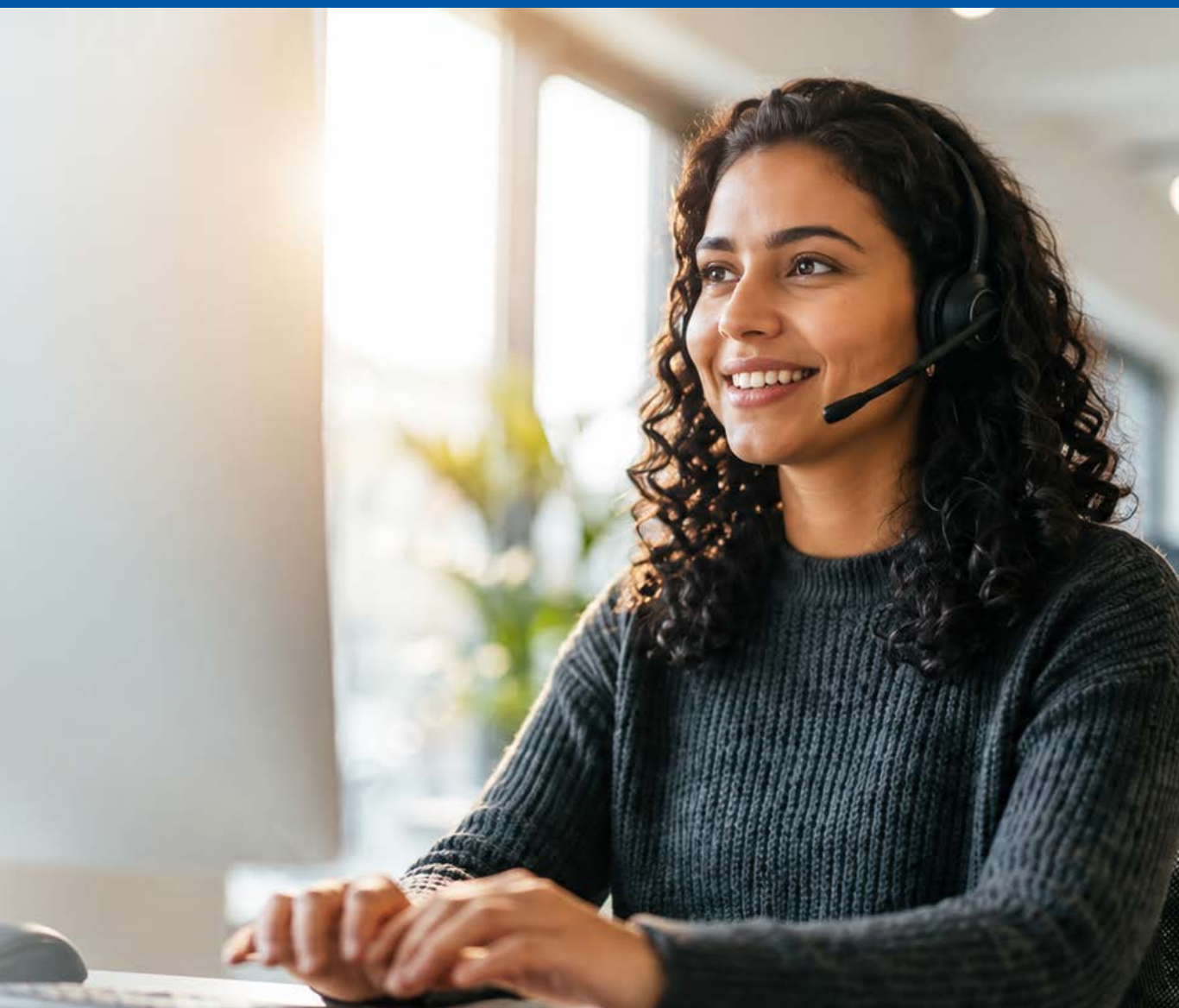
Value Creation Approach

- Customer centricity
- Building a strong, cohesive team
- Innovation
- People focus

Source: Customized H&A Thrust and Support Roller

ADDRESSING WHAT MATTERS TO OUR CUSTOMERS

Our customer engagements reflect our shift from product supply to solution-led partnerships. By combining application expertise, engineering capability, and local execution, we address complex industrial challenges with precision. These success stories highlight how we create value through improved reliability, faster response, and solutions tailored to specific operating conditions across industries.



Case Study

Reinforcing Reliability in Critical Process Equipment

	Industry	Chemicals
	Application	Calciner support roller assembly
	Location of Development	India



The Challenge

A leading chemical manufacturer faced repeated shaft failures in calciner support roller assemblies due to under-designed components. This resulted in high bearing consumption, frequent downtime, and production losses under demanding operating loads.

SKF India (Industrial) Solution

Adopted a full value chain approach, combining application engineering, supplier development, and local manufacturing. The solution involved upgrading bearing specifications, redesigning the housing assembly, and integrating sourcing and production across multiple specialised facilities while maintaining strict quality control.

Value Delivered

- Delivered a large-scale integrated roller assembly combining radial and thrust functions
- Reduced dependency on imports through complete localisation

Value Creation Approach

- Localisation
- Value-based solution selling
- Customer-centric engineering

Case Study

Enabling Real-Time Intelligence in Wind Turbine Performance

	Industry	Wind energy
	Application	Main shaft bearing monitoring
	Location of Development	India



The Challenge

A major wind turbine platform required accurate validation of main bearing performance under dynamic operating conditions. Limited real-time data on load distribution created uncertainty in drivetrain design and validation.

SKF India (Industrial) Solution

Introduced an advanced sensor-integrated bearing solution capable of real-time load measurement. Supported by global engineering expertise, the system enabled accurate correlation between simulated and actual operating conditions, strengthening digital twin validation.

Value Delivered

- Enabled real-time monitoring of load distribution
- Accelerated product development and validation cycles
- Reduced risk of drivetrain failure
- Strengthened predictive maintenance capability

Value Creation Approach

- Digitalisation
- Innovation-led solutions
- Customer-centric engineering
- Technology leadership

Case Study

Redefining Performance in Cold Rolling Applications

 Industry	Metals
 Application	Cold rolling mill (work and backup rolls)
 Location of Development	India



The Challenge

A rolling mill equipment manufacturer required a differentiated bearing solution to improve performance and reduce maintenance complexity, while competing against established suppliers.

SKF India (Industrial) Solution

Developed a spacer-less four-row tapered roller bearing design, eliminating wear-prone components and improving preload stability. Close collaboration with the customer's design team ensured optimal integration into the system.

Value Delivered

- Extended bearing life and improved reliability
- Reduced maintenance downtime and servicing complexity

Value Creation Approach

- Value-based selling
- Engineering innovation
- Operational efficiency
- Market competitiveness

Case Study

Eliminating Downtime in Mining Operations

 Industry	Mining, mineral processing and cement
 Application	Rotary drill pulley system
 Location of Development	Global (India-led deployment)



The Challenge

Heavy-duty drilling equipment operating in extreme environments experienced frequent failures due to lubrication challenges, leading to unplanned downtime across global operations.

SKF India (Industrial) Solution

Engineered a maintenance-free solid oil bearing solution designed for harsh, hard-to-access environments. This eliminated the need for manual lubrication while improving reliability and performance consistency.

Value Delivered

- Eliminated lubrication-related failures
- Increased equipment uptime and reliability
- Improved operational safety

Value Creation Approach

- Customer-centric innovation
- Reliability engineering
- Lifecycle optimisation
- Scalable solutions

Case Study

Enhancing Performance of Vibratory Screening Systems

	Industry	Mining, mineral processing and cement
	Application	Vibratory screen systems
	Location of Development	India



The Challenge

A screening equipment manufacturer faced recurring downtime and performance issues due to limitations in existing bearing and housing configurations.

SKF India (Industrial) Solution

Developed a customised bearing and housing solution, combining application expertise with local manufacturing capability. The design was optimised to meet performance requirements while improving durability and cost efficiency.

Value Delivered

- Increased equipment reliability and service life
- Reduced downtime and maintenance requirements
- Delivered cost advantages through localisation
- Strengthened long-term partnership

Value Creation Approach

- Localisation
- Value-added solutions
- Customer-centric innovation
- Operational excellence

Case Study

Improving Asset Reliability in Metals Operations

	Industry	Metals
	Application	Heavy-duty rotating equipment
	Location of Development	India



The Challenge

A large metals producer faced frequent unplanned downtime in critical rotating equipment due to harsh operating conditions and limited predictive maintenance capability.

SKF India (Industrial) Solution

Implemented a comprehensive reliability solution, combining upgraded bearing arrangements, condition monitoring systems, and engineering support integrated with on-site maintenance teams.

Value Delivered

- 18% improvement in equipment availability
- Reduction in unplanned downtime
- Improved asset life and reliability
- Enhanced maintenance planning through data insights

Value Creation Approach

- Digitalisation
- Reliability engineering
- Localisation
- Customer-centric solutions

ALIGNING OPERATIONAL VELOCITY WITH PLANETARY CARE

At SKF India (Industrial) Limited, environmental responsibility is an operational mandate; optimising energy, resources, and waste drives long-term efficiency and reliability. Post-demerger, we institutionalised operational ownership across our manufacturing and entire value chain. By integrating sustainability from responsible sourcing to extending product life, we reduce our footprint while enhancing customer uptime, ensuring resilience and continuity as the business landscape evolves.

Our Approach

Our environmental strategy is guided by three pillars, ensuring our efforts deliver measurable outcomes and drive long-term value creation.



Pillar 1: Climate Transformation

Accelerating Decarbonisation across the Value Chain

Climate transformation remains a primary mandate, covering our entire footprint from supplier emissions to product lifecycle. We are committed to achieving decarbonisation by 2030 and Net Zero emissions by 2050.

Focus Areas

Highlights of FY 2025-26*

Scope - 1 and 2
379.39 tCO₂e

Total Energy Use
51.55 GWh (97% from Renewable Sources)

RE Generated Onsite and Offsite 50.11 GWh (including 21.6 GWh IRECs)[#]

Energy Efficiency

We aim for a 5% annual reduction in energy consumption. We are strengthening these efforts through SCADA-based monitoring and a focus on high-consumption areas like compressors, HVAC, and heat treatment. Additionally, by adopting technologies such as magnetic bearing chillers, heat recovery systems, and EC+ motors, we have identified opportunities to save approximately 8,000 MWh.

Renewable Energy Transition

We are increasing our use of renewable energy through onsite/offsite sourcing, Power Purchase Agreements (PPAs) and IREC mechanisms. Today, 97% of our energy is derived from renewable sources.

Fossil Fuel Elimination

We are phasing out LPG, CNG, and diesel, with a target to complete by 2029. This includes electrifying heat treatment processes and optimising energy systems.

Site-Level Progress

Decarbonised Operations

Our sites have achieved verified decarbonised status. We had 11 energy-saving projects delivered 3,010 MWh of annual savings and phased out LPG usage in multiple furnaces. Additionally, the installation of a high-tension electrical feeder and the full electrification of heat treatment furnaces have effectively eliminated diesel reliance.

Operational Transformation

At our sites across India, we are driving significant Scope 1 reductions. All our furnaces are electrified and we are also eliminating LPG used for atmosphere generation through N₂ purging.

Decarbonisation Efforts beyond Operations

Upstream

Engaging key steel and direct material suppliers to achieve a 32% emission reduction by 2030 through increased scrap usage and renewable-powered production.

Downstream

Improving logistics efficiency through better load utilisation, CNG vehicles, and localisation to reduce air freight. Additionally, we are targeting a 35% reduction in logistics emissions by 2030.

*Industrial sites considered based on the delivery ratio for industrial production

[#]International Renewable Energy Certificates

Transitioning from Consumption to Resource Regeneration

Circularity is fundamental to our operational discipline. We apply engineering precision to close the resource loop, treating water and materials as critical assets to be regenerated.

Water Stewardship	We focus on reducing consumption while increasing replenishment through water-efficient fixtures, treatment plants, and rainwater harvesting.	
Highlight of FY 2025-26 Water Consumed 52,377.8 KL	Progress	Achieved 2.19X water positivity in our Industrial sites.
	Target	5% annual reduction in use, aiming for water positivity across all sites by 2030.
Resource Optimisation and Circular Solutions	We have moved beyond waste management to a model of material productivity.	
Highlight of FY 2025-26 Waste Generated 4,173.5 MT Waste Recycled 2,257.8 MT Waste Safely Disposed (Energy Recovery) 1,915.7 MT	Regenerative Processes	Currently, 80% of our waste is recycled. We utilise closed-loop systems for steel scrap and have eliminated single-use materials to maintain a Zero-Plastic-Footprint.
	Circular Offerings	Remanufacturing large bearings reduces carbon footprints by up to 90%, while our RecondOil system installed in Pune led to 25,000 litres of oil last year.
	Target	5% annual waste reduction, aiming towards Zero Waste to Landfill by 2030.

Embedding Ethical Governance into Every Operational Layer

We support our environmental efforts with a robust governance framework and responsible practices. Our focus areas are reviewed through monthly and quarterly audits, leadership scorecards, and a firm commitment to ethical conduct.

Ethical Conduct and Compliance	Ensuring transparency across all operations and adherence to global and regional regulations and standards.
Net Zero and Zero Waste Commitments	Driving accountability for our 2030 and 2050 targets.
Efficient Use of Water and Resources	Integrating resource stewardship into our daily manufacturing rigour.
Responsible Sourcing and Supplier Engagement	Extending our sustainability mandate across the entire supply chain.
Working with Customers to Support their Sustainability Goals	Aligning our engineering solutions with our customers' environmental objectives.

Success Stories

Reducing Energy Intensity at Scale

 Industry	Metals
 Application	Energy optimisation
 Location of Development	Pune

The Challenge

High-energy consumption impacted cost efficiency and emissions.

SKF India (Industrial) Solution

Implementation of energy-efficient technologies and optimised utilities.

Value Delivered

- Cost savings
- Reduced energy consumption
- Lower emissions

Value Creation Approach

- Sustainability
- Cost efficiency
- Operational optimisation

Source: Energy Efficiency and Carbon Reduction Initiative

Extending Resource Life through Reconditioning

 Industry	General machinery
 Application	Oil lifecycle management
 Location of Development	Pune

The Challenge

Frequent oil replacement increased costs and downtime.

SKF India (Industrial) Solution

Introduced oil reconditioning systems.

Value Delivered

- Reduced oil consumption
- Improved reliability
- Lower maintenance costs

Value Creation Approach

- Resource efficiency
- Sustainability
- Operational excellence

Source: Oil Reconditioning Initiative

Moving Forward

We continue to integrate sustainability into our core operations and decision-making. Our focus remains on improving efficiency and reducing impact, building an industrial business that is engineered for the future.

ALIGNING CAPABILITY AND SAFETY WITH A FOCUSSED INDUSTRIAL FUTURE

The demerger marked a strategic pivot towards industrial specialisation, redefining the technical mastery required for our future. This transition relies on the collective ingenuity of our workforce to navigate a focussed landscape with precision. By aligning professional agility with our new operational model, we ensure that our people remain the definitive force behind the reliability and performance our stakeholders expect.

Our Approach

Our development framework centres on three priorities that align individual growth with operational performance.



Capability
Depth



Commercial
Excellence



Future-ready
Workforce



Pillar 1: Capability Depth

Driving Execution Excellence through Technical Depth

Technical expertise in application engineering, reliability, automation, digital enablement, and maintenance diagnostics defines our specialised industrial identity, directly underpinning our shift towards advanced, service-led, and technology-driven solutions. We reinforce this technical depth through rigorous process discipline across operations and engineering, where structured review mechanisms and clear ownership drive execution consistency and operational clarity. Additionally, by aligning our development with future technologies and advanced manufacturing practices, we pair digital learning with practical coaching to navigate an increasingly complex industrial landscape.

Pillar 2: Commercial Excellence

Driving Consistency, Ownership, and Value-led Execution

We identify commercial excellence as a strategic lever to sharpen execution and synchronise our regional teams. Through the Certified Sales Professional Journey, we established a common sales methodology that anchors consistency and talent mobility within a culture of shared ownership. Delivered in partnership with global experts to ensure alignment with international standards, the programme relied on active manager-led coaching to translate these methodologies into real-world outcomes. This collaboration ensures our market approach remains world-class while delivering measurable value to our customers.

The Intervention Structure

Diagnostic assessment followed by a three-day workshop

15 practical application assignments rooted in daily work

Dedicated manager and participant toolkits to guide execution

90-day application phase with 180 days of digital reinforcement and coaching

Key Outcomes from Commercial Excellence

191 Participants Trained
across **9** Countries
(78 Participants from India)

30+
Training Hours
per Participant

90% Coaching
Participation
Manager Engagement

86%
Toolkit Application
Success

94
Employee Net Promoter
Score (eNPS)

Building Digital Awareness and Adaptability

As industrial environments evolve, we prepare our workforce to adopt new technologies and ways of working, focussing on artificial intelligence and digital tools. To anchor these practices, we developed a network of *AI Ambassadors* who first underwent training and subsequently shared this knowledge across teams through multiple learning sessions. This strengthened the early adoption of AI-led practices before we expanded the effort through the *AI Learning Fest*, an immersive initiative conducted during the demerger to support our transition. Additionally, by implementing this initiative across geographies, we ensured our teams stayed connected and engaged during a critical period of change.

The AI Learning Fest Components	Theatre-based learning experiences and five booths based on the ADKAR framework for experiencing the power of AI.	
	Leadership sessions and panel discussions with senior leaders.	
	Hands-on experimentation and gamified learning experiences.	
Key Outcomes	32	40+ hours
	AI Ambassadors Developed	Upskilling Journey of the Ambassadors
	18	600+
	Knowledge Sessions Delivered by Ambassadors	Employees Engaged through the Initiative
	415	7 Locations
	Employee Reach (Pre-Fest)	AI Learning Fest Reach across India
	59%	
	Workforce Upskilled on AI Topics	



Strengthening Leadership Capability	We recognise leadership as a mindset that must be nurtured across levels. During the year, we strengthened our leadership agenda through structured, tiered development journeys that combined coaching, peer learning, and live business projects. These programmes were designed to deepen strategic thinking, strengthen decision-making, and reinforce ownership across the organisation.	
	Structured Leadership Interventions	Manage Lead Coach A leadership development programme for managers that uses the SKF Leadership Model to build stakeholder influence, self-awareness, and practical skills in managing, leading, and coaching. It aims to drive change, overcome resistance, and support lasting leadership behaviours through real business experience and structured learning.
		SKF Leadership Foundation The SKF Leadership Foundation is a leadership development programme designed to strengthen leadership across three core behaviours: Develop Self, Develop Others, and Develop Business. The programme equips leaders with essential skills such as self-awareness, empathy, vision, delegation, change management, and business acumen. By fostering these capabilities, the initiative builds a strong pipeline of leaders prepared to drive sustainable growth and transformation.
		Power the Future Designed to build self-awareness, self-leadership, and the ability to manage complexity.
These programmes ensure leadership development is continuous, structured, and aligned with business priorities.		
Diversity, Equity and Inclusion	Our DE&I journey progressed through a structured, data-driven approach. We undertook a comprehensive diagnostic and maturity assessment to identify gaps and align our priorities with global DE&I frameworks. This resulted in a clearly defined roadmap integrating inclusive hiring, equitable development, and support systems for under-represented talent.	
	We strengthened gender inclusion by:	- Creating psychologically safe and supportive workplaces - Introducing infrastructure such as childcare facilities at key locations - Building mentorship and advocacy platforms
	DE&I Progress Indicators	26% Gender Diversity across Workforce 26% Women's Representation on Shopfloor 92% Hiring for Shopfloor was Gender Diverse



WOMEN-FOCUSED INTERVENTIONS

Parivartan

Enabling women's participation in shopfloor roles through training and mentorship.

SHE LEADS

Supporting high-potential women through coaching, leadership exposure, and career navigation.

Women's Network: Driving Inclusion through Community

Our **Women's Network** is an employee-led Employee Resource Group (ERG) powered by volunteers who bring inclusion to life by enabling growth, connection, and wellbeing across the organisation.

It operates through three integrated pillars:

1



Mentorship and career development initiatives

2



Networking platforms and leadership interactions

3



Policy awareness, financial literacy, and wellbeing programmes

Building a Future-Ready and Inclusive Talent Ecosystem

The year saw a focussed effort to strengthen diversity representation at senior leadership levels, while continuing to build a robust early talent pipeline through structured campus hiring programmes, including management trainee and internship initiatives.

THE EDGE

New Manager Assimilation Journey was introduced to support new and transitioning leaders, enabling faster productivity and stronger team engagement. Through a combination of onboarding, coaching and structured learning, the programme ensures clarity, consistency and alignment with the Single ISEAM culture at a critical stage of leadership.

THE ISEAM TALENT COUNCIL further reinforced a consistent, region-wide approach to talent and succession planning, strengthening leadership pipelines and guiding capability development aligned with future business needs.

In parallel, SKF continued to evolve as a listening organisation through its Continuous Listening Mechanism, comprising short quarterly employee engagement surveys. These provide managers with actionable insights into workforce sentiment, supporting improved retention, engagement and overall organisational performance.

Talent Acquisition and Early Talent Development

We continued to focus on hiring not just for roles, but for values and long-term potential. Our recruitment approach emphasises diversity, cultural alignment, and candidate experience, ensuring that new hires are engaged and aligned with our purpose from the outset.

We strengthened this through:

1

Structure Hiring Process
Building Excellence

2

Streamlined
Recruitment Cycles

3

Holistic Feedback

Hiring Effectiveness Indicators

31%

New Hires were Women

76%

Participation in Post-Joining Feedback

4.8/5

Average Satisfaction Score from New Joiners

Note: The percentages pertain to white-collar hiring

Campus Hiring Programme

Our campus hiring programme is designed to attract high-calibre talent from leading institutions and build a future-ready workforce aligned with evolving business requirements.

Programme Focus

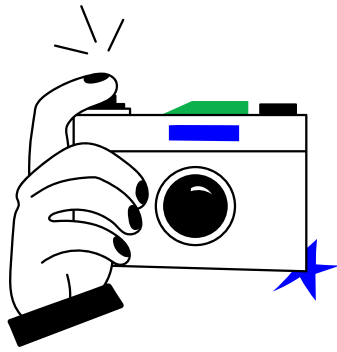
- Strengthen early-career talent pipeline
- Align hiring with technical and business needs
- Reinforce employer positioning

Programme Structure

The Management Trainee programme continues with a structured **four-rotation model**, ensuring cross-functional exposure and strong business grounding.

Post-demerger

- Framework remained consistent
- Evaluation rigour enhanced
- Stronger alignment with business expectations



HIRING SNAPSHOT

Diversity in Hiring

36%

Women Interns

25%

Women Management Trainees

Diversity continues to be strengthened progressively within a selective hiring base.

DE&I View (As of March 2026)

900+

Total Employees*

26%

Women

74%

Men

Key Takeaways

- **+33% growth in MT hiring** indicates focus on future leadership pipeline
- **Strong entry-level diversity (36% women interns)** supports long-term inclusion goals
- **26% overall diversity** provides a stable base for continued progress

*Active SKF India (Industrial) Employees as of March 2026

Impact Measurement

We define the success of our three-pillar strategy through the tangible precision it brings to our operations. This discipline ensures that professional growth is never episodic; instead, it is a permanent standard rooted in our day-to-day execution. Our impact is validated across four key dimensions:

Execution Quality

Measured through application success rates

Problem-solving Effectiveness

Validated through the consistency of manager-led coaching

Operational Adoption

Tracked through participation and engagement metrics

Capability Depth

Defined by training coverage and total learning hours



Moving Forward

We continue to shape a workforce built for a performance-driven business. By sharpening technical expertise and expanding digital capabilities, we maintain the execution discipline that defines our specialised industrial focus. This investment in our people ensures we remain responsive to changing industrial demands, while delivering the consistent performance that creates long-term value our stakeholders expect.

Success Stories

Strengthening Inclusion on the Shopfloor

	Focus area	Workforce diversity
	Location	Pune



The Challenge

Low representation of women required structural change.

SKF India (Industrial) SOLUTION

Implemented inclusive hiring and development initiatives.

Value Delivered

- Increased diversity
- Improved engagement
- Stronger culture

Value Creation Approach

- Inclusion
- People development
- Culture

Source: Shopfloor Gender Diversity Initiative

Building a Culture of Continuous Improvement

	Focus area	Employee engagement and Kaizen
	Location	Pune



The Challenge

Limited employee involvement impacted improvement capability.

SKF India (Industrial) SOLUTION

Introduced structured platforms for participation and recognition.

Value Delivered

- 800+ employees engaged
- Stronger problem-solving culture
- Better operational outcomes

Value Creation Approach

- People development
- Operational excellence
- Continuous improvement

Source: Kaizen and Employee Engagement Programme

Safety and Wellbeing

Our Commitment to Zero Harm

We are guided by a clear vision of Zero Injury, where the safety, health, and wellbeing of our employees, contractors, and business partners remain non-negotiable. Our approach is anchored in a structured, people-centric, and system-driven EHS framework, aligned with SKF Group standards and statutory requirements.

During FY 2025-26, we strengthened this framework through focussed interventions that enhance leadership accountability, employee capability, and operational discipline, while reinforcing a culture where safety is embedded into everyday decision-making.



Strengthening a Culture of Safety

We continued to advance our multi-year EHS culture transformation roadmap, with emphasis on leadership engagement, behavioural safety, and continuous improvement.

We conducted **safety culture pulse assessments** across locations to identify site-specific gaps and prioritise targeted interventions.

To strengthen capability, we expanded our **Safety Skill Centres**, incorporating simulation-based training modules focussed on critical risk areas such as finger injury prevention and PPE effectiveness.

Leadership involvement remained central to driving this culture. Regular **leadership-led safety talks, safety bulletins, and recognition platforms** reinforced

accountability and encouraged proactive participation.

We also marked key events such as **National Safety Day, Safety Week, and Safety Month**, engaging employees, contract partners, and union representatives through structured training programmes, safety walks, and kaizen initiatives focused on eliminating unsafe conditions and behaviours.

Driving Compliance and Governance

We maintain a robust compliance framework supported by regular monitoring and governance mechanisms.

Our approach includes **periodic internal audits and third-party assessments**, ensuring adherence to defined standards. EHS performance is tracked through structured indicators, with corrective actions closely monitored for timely closure.

Weekly **cross-location EHS pulse reviews and governance forums** enable continuous oversight, ensuring consistency in implementation while allowing flexibility to address site-specific risks.

Proactive Risk Management

We adopt a prevention-first approach to workplace safety, focusing on early identification and mitigation of risks.

This includes **routine identification and closure of unsafe acts and conditions**, supported by structured reporting and follow-up mechanisms. We conduct **machine**

safety risk assessments and implement engineering control upgrades to reduce exposure to hazards.

Our system also emphasises **near-miss reporting and structured incident investigations**, enabling us to capture learnings and prevent recurrence. Safety risk reviews are integrated into management forums, ensuring visibility and accountability at all levels.

Building Capability and Preparedness

Training and awareness remain central to our safety strategy.

We ensure **mandatory safety induction programmes** for all employees and contractors, supported by role-specific training covering machine safety, material handling, working at height, firefighting, and first aid.

To strengthen engagement, we deploy **digital EHS learning modules and regular toolbox talks**, reinforcing safe practices on the shopfloor.

We also conduct **periodic emergency drills**, covering fire response and loss prevention

scenarios, ensuring preparedness and quick response in case of incidents.

Supporting Health and Wellbeing

We take a holistic view of safety, recognising the strong link between physical safety, mental health, and overall organisational performance.

Our efforts focus on creating **safe and healthy working conditions** that prevent occupational ill-health, while supporting employee wellbeing. This integrated approach ensures that safety extends beyond compliance to encompass the overall quality of the work environment.

Moving Forward

We remain committed to strengthening our safety culture through continuous improvement, deeper engagement, and sustained leadership focus. By embedding safety into every aspect of our operations, we aim to create a workplace where every individual returns home safe, every day.

STRENGTHENING THE ECOSYSTEMS THAT MOVE US

Growth is only as sustainable as the ground it stands on. At SKF India (Industrial), our manufacturing excellence is anchored in the resilience of the communities that host our operations. FY 2025-26 defined a strategic evolution in this relationship. We are now synchronising our 'Industrial' strengths with localised needs, ensuring the value we create is as precise and enduring as the solutions we engineer.





CSR Journey

Before the demerger, our CSR initiatives addressed the themes of Education, Empowerment, and Environment across ten states, including Maharashtra, Gujarat, Karnataka, Uttarakhand, Rajasthan, West Bengal, Jharkhand, Assam, Haryana, and Bihar.



WeGyaan

Focussed on STEM education.

Udaan

Provided scholarships for girls and Divyaang students.



YES

Supported skill development and employability for underprivileged youth.

Water Sustainability

Focussed on water resource management and conservation.



Gothia Cup

Promoted sports among children with special needs.

Refining Focus Post-demerger

With the formation of SKF India (Industrial) Limited in October 2025, we undertook a comprehensive review to align our initiatives more closely with our 'Industrial' operations and stakeholder expectations. Based on community assessments and consultations, we identified key priorities: water availability, sustainable livelihoods, natural resource management, and youth employability in industrial regions.



1

WeGyaan initiative has been expanded into a comprehensive Digital and Financial Literacy Programme, empowering rural communities as an integral part of the rural development framework.

2

Initiatives linked to 'Automotive' objectives, including YES centres in Kolkata, Jaitaran, and Jagannathpur, were transferred to automotive entity.

3

We continue to support skill development relevant to industrial sectors, including training for youth in job roles such as shop floor technicians, maintenance, operators, and logistics among others.

Strengthening Core Focus Areas

We have realigned our strategy to focus on our sites where we have a strong Industrial presence. Our efforts are now concentrated on three areas:



Integrated Rural Development

Focussing on villages around Pune with integrated solutions for livelihoods, water and sanitation, climate resilience, and community infrastructure. This includes targeted interventions for women's empowerment and overall quality of life.



Environmental Sustainability

Enhancing community-level interventions such as water stewardship in water-stressed regions, biodiversity conservation, ecosystem restoration, and promoting climate-resilient practices and efficient use of natural resources.



Skilling and Employability

Identified as a key enabling theme for the future. Although not active during FY 2025-26, it will leverage our engineering expertise to support industry-linked vocational training for youth in our operating regions.

Linking CSR with Core Strengths

We ensure that our programmes are practical and impactful by linking them to our specific capabilities:

Skills

Leveraging engineering and manufacturing expertise for vocational training

Safety

Extending our internal safety focus to communities through awareness programmes and campaigns

Rural Development

Applying our project management and operational strengths to drive structured development

Sustainability

Reflecting our priorities in water management, biodiversity, and resource efficiency



Moving Forward

We are building a more focussed and structured approach to community engagement. By aligning our operations and capabilities, we aim to create long-term value, strengthen local ecosystems, and enable inclusive growth in the regions where we operate.

Governance and Impact Measurement

We are strengthening our approach to measuring the impact of our CSR initiatives by treating our social investments with the same rigour as our industrial operations.

Impact Measurement

Each programme is engineered with a clear theory of change and defined KPIs to move beyond simple activity tracking toward objective results. Progress is monitored through data-driven systems and periodic field assessments that provide direct, on-ground insights into our initiatives. For long-term programmes, independent third-party evaluations are conducted to rigorously measure transformative outcomes, specifically targeting improvements in livelihoods, water security, and environmental resilience.

Oversight

The CSR Board Committee approves plans and reviews progress, while a dedicated CSR team handles execution, partner selection, and rigorous due diligence to ensure compliance and transparency. This governance is strengthened by standardised processes for partner evaluation and reporting, supported by KPI-based tracking and digital systems. Furthermore, regular monitoring through monthly and quarterly reviews, alongside independent assessments and long-term planning, ensures sustained accountability and the continuity of our initiatives.

TURNING OVERSIGHT INTO FORWARD MOTION



At SKF India (Industrial), strong governance forms the foundation of sustainable value creation. As an independent listed company, we have established a governance framework that promotes accountability, transparency, ethical conduct, and effective decision-making. Through active Board oversight, specialised committees, comprehensive policies, and robust risk management practices, we seek to create long-term value for all our stakeholders.

Board Composition

6

Board Members

2

Executive Directors

2

Non-Executive
Non-Independent Directors

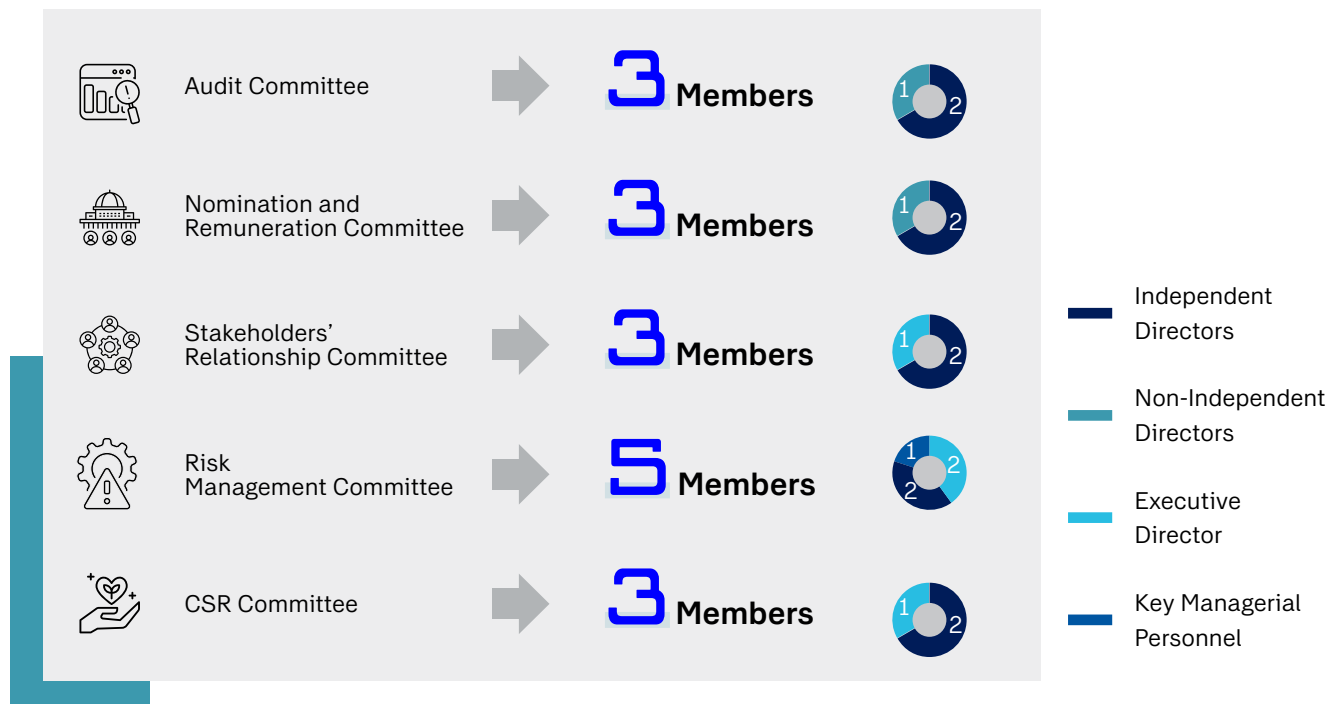
2

Non-Executive
Independent Directors

Our Board provides strategic direction and independent oversight, ensuring that our decisions remain aligned with long-term business objectives and stakeholder interests.

Focussed Oversight through Board Committees

To strengthen governance and enable deeper oversight, our Board operates through five specialised committees.



Governance through Policies

Our governance framework is supported by a comprehensive policy architecture that guides ethical conduct, responsible business practices, and regulatory compliance.

Key Policy Areas



Ethics and Conduct

- Code of Conduct
- Insider Trading Prevention Framework
- Vigil Mechanism



Risk and Compliance

- Risk Management Policy
- Materiality and Disclosure Framework
- Related Party Transaction Policy



People and Workplace

- POSH Policy
- Remuneration Policy



Sustainability

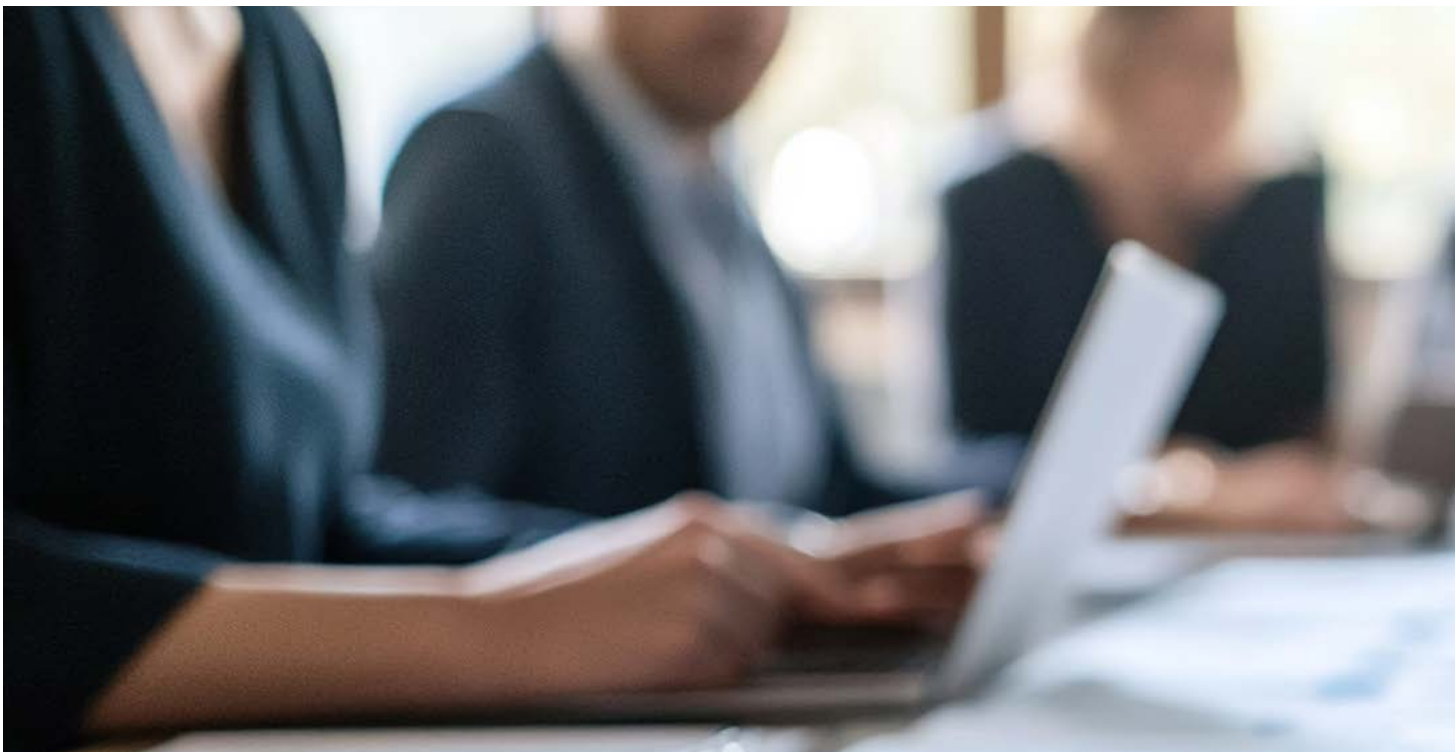
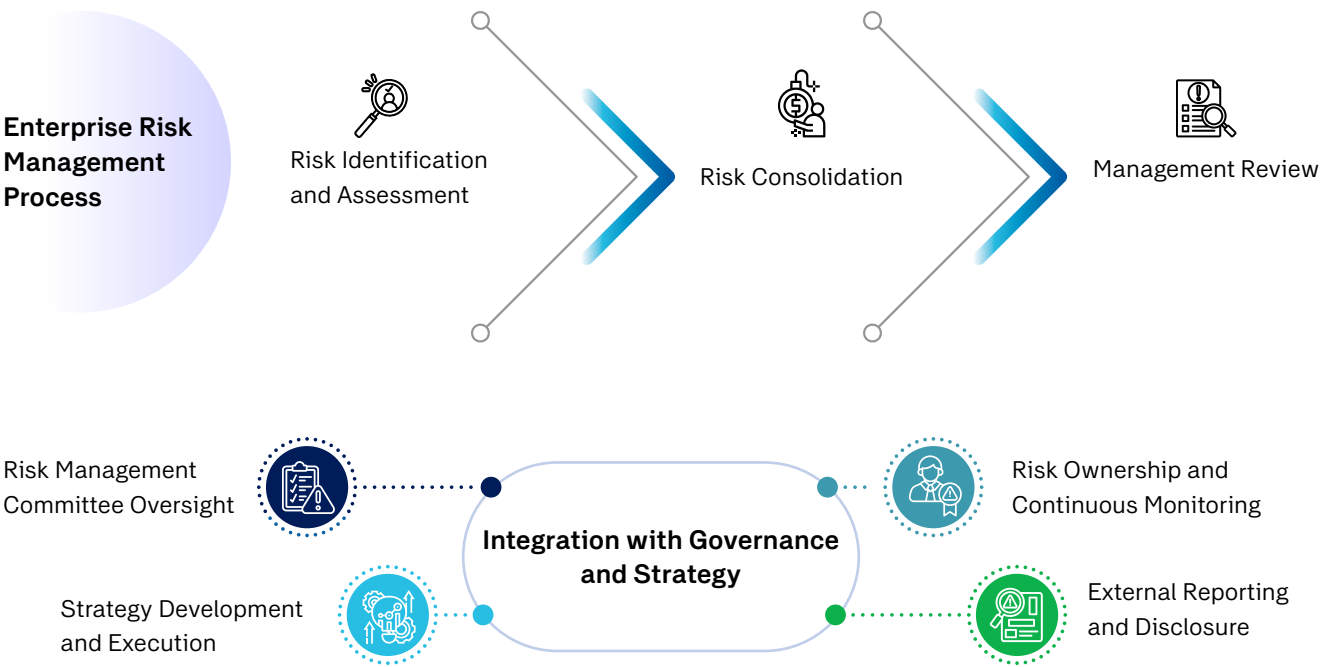
- Corporate Social Responsibility Policy
- Environment, Energy, Health and Safety Policy
- Quality Policy

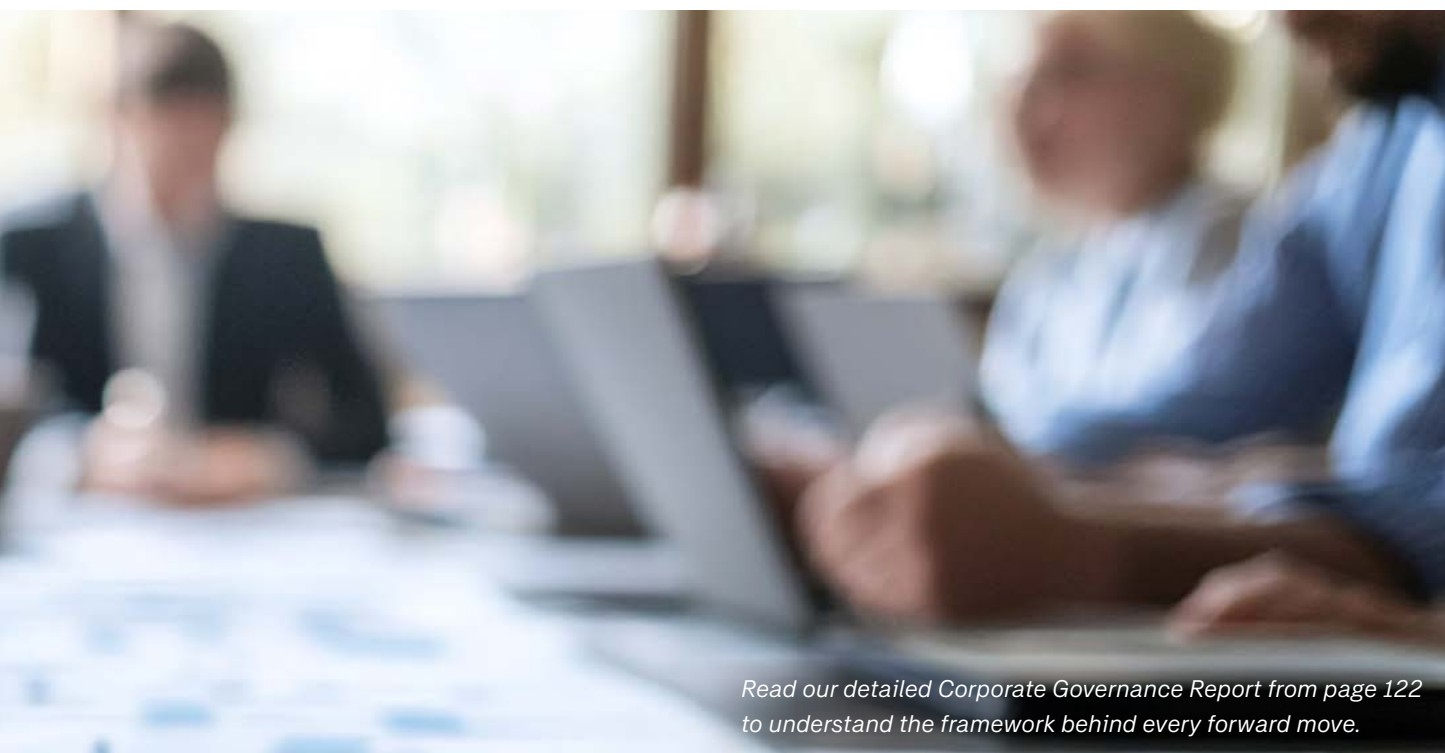


Enterprise Risk Management

We view risk management as an integral part of strategic planning and operational excellence. Our Enterprise Risk Management framework enables us to identify, assess, mitigate, monitor, and review risks that could impact our business objectives, while also helping us identify opportunities for growth and improvement.

Our Risk Management Process





Read our detailed Corporate Governance Report from page 122 to understand the framework behind every forward move.

TRANSLATING OPERATIONAL DISCIPLINE INTO AWARD WINNING PERFORMANCE

At SKF India (Industrial), recognition reflects our ability to translate engineering precision into measurable operational outcomes.

In FY 2025-26, our teams earned accolades across national and international platforms by demonstrating excellence in cross-functional execution. Such success underscores our structured approach to problem-solving, validating a consistent drive to elevate standards through technical mastery and disciplined innovation.

Key Recognitions: FY 2025-26



Quality Excellence and Poka-Yoke



- **18th CII Poka-Yoke Competition 2025**
Secured Platinum Awards for alarm and shutdown-type error-proofing solutions
- **Control-type Poka-Yoke**
Earned Gold and Silver recognitions for meticulous implementation of error-proofing standards
- **CII Champion Trophy**
Recognised with Jury Champion Awards specifically in Poka-Yoke categories



Continuous Improvement and Kaizen



- **CII National Kaizen Competitions (52nd and 54th)**
Won multiple Gold and Silver Awards across renovative, breakthrough, innovative, and restorative categories
- **CII Challenger Trophy**
Earned Star, Jury, and Super Challenger Awards across diverse themes including restorative, control, and MURI
- **CII Champion Trophy**
Achieved Star and Jury Champion Awards for excellence in driving systematic improvement initiatives
- **QCFI Kaizen Competition (Pune)**
Awarded Gold for high-impact case study presentations



Quality Circles and Operational Excellence

- CCQC Competition (QCFI, Pune)**
 Secured multiple Gold Awards for case studies, alongside Silver and Bronze recognitions for poster and slogan categories
- 39th National Convention on Quality Concepts (NCQC 2025)**
 Honoured with Excellence and Par Excellence Awards for quality circle initiatives
- NCQC 2025 Projects**
 Earned multiple recognitions for demonstrating excellence in quality circle execution



Energy and Sustainability

- Energy Conservation Competition 2025 (QCFI, Pune)**
 Won multiple Gold and Silver Awards for initiatives focussed on operational energy efficiency
- Sustainability Communication**
 Earned Gold Awards in slogan and poster categories for effectively promoting environmental awareness
- Leadership & Excellence Awards 2026**
 Named 'Best Sustainability in Manufacturing', validating our commitment to responsible operations



Innovation and Digitalisation

- 20th CII 3M Competition**
 Won multiple Gold and Silver Awards for initiatives focussed on operational energy efficiency
- CII Digitalisation Forums**
 Recognised for pioneering AI-driven improvements and digital transformation in quality processes
- Leadership & Excellence Awards 2026**
 Earned recognition for 'Digital Innovation in Operations'
- 20th ACMA Regional Quality Circle Competition**
 Awarded for the 'Most Innovative Solution'



Safety and International Recognition

- ICQCC Taiwan**
 Earned a Gold Award at the 50th International Convention on Quality Control Circles, benchmarking our quality practices against global standards
- QCFI Safety Week**
 Won multiple Gold Awards across case study, poster, slogan, and skit categories, alongside Silver and Bronze recognitions for safety awareness programmes



CORPORATE INFORMATION

SKF India (Industrial) Limited

CIN : L28140PN2024PLC236396

Registered Office

Chinchwad Gaon, Chinchwad,
Pune 411033, Maharashtra, India

2nd Annual General Meeting

Thursday, 13th August, 2026 at 3:00 p.m.
IST through Video Conference/Other Audio
Visual Means

Board of Directors & Key Managerial Persons (KMPs)

Mr. Gopal Subramanyam

Chairman and Non-Executive Independent Director

Ms. Anu Arun Wakhlu

Non-Executive Independent Director

Mr. Ajay Naik

*Non-Executive
Non-Independent Director*

Mr. Karl Robin Joakim Landholm

*Non-Executive
Non-Independent Director*

Mr. Mukund Vasudevan

Managing Director

Mr. Sujeeth Pai

Whole-Time Director

Ms. Poorva Bang

Company Secretary and Compliance Officer

Mr. Ashish Saraf

Chief Financial Officer

Auditors

M/s. Deloitte Haskins & Sells LLP

Chartered Accountants

Secretarial Auditors

M/s J. B. Bhawe & Co

Company Secretaries

Bankers

The Hong Kong Shanghai Banking Corporation Ltd

Deutsche Bank

State Bank of India

Share Transfer Agent

MUFG Intime India Private Limited

(Erstwhile Link Intime India Private Limited)

C-101, Embassy 247, L.B.S. Marg, Vikhroli (West),
Mumbai, Maharashtra, 400083,

Tel: +91 22 66568484

Email: investor.helpdesk@in.mpms.mufg.com

Website: www.in.mpms.mufg.com

Directors' Report

Dear Members,

The Board of Directors of your Company are pleased to present the 2nd Annual Report, with audited financial statements for the financial year ended on 31st March, 2026.

The Company's shares were Listed w.e.f. 5th December, 2025 and accordingly the Company is a listed entity. Considering the same, the provisions of the SEBI (Listing Obligations & Disclosure Requirement) Regulation 2015 (LODR) became applicable to this Company for the period starting from 5th December, 2025 to 31st March, 2026.

1. Financial Highlights:

(in Millions)

	Year Ended	
	31 st March, 2026	31 st March, 2025*
Revenue from Operations	34,403.6	7,206.01
Other Income	591.2	126.6
Total Income	34,994.8	7,332.7
Operating Expenditure	30,507.3	5,596.0
Depreciation	313.8	92.7
Profit before exceptional item and tax	4,173.7	1,644.0
Exceptional items	1,961.0	-
Provision for Taxation	36.0	430.9
Profit after Tax	2,176.7	1,213.1
Other Comprehensive Income	38.1	24.3
Total Comprehensive Income for the Period	2,214.8	1,237.4

*Note

The Financial Statements have been prepared in accordance with the prescribed Indian Accounting Standards (Ind AS), including the accounting treatment of the demerger. Consequently, the comparative figures for the period ending 31st March, 2025, as well as for the period 1st April, 2025 to 30th September, 2025 (included within the year ended 31st March, 2026), have been restated as if the Scheme had been effective from the date of incorporation of the Company, i.e., 17th December, 2024.

2. State of Company's Affairs:

The Company was incorporated on 17th December, 2024 with a vision to empower global enterprises through advanced, future-ready technologies designed to address the needs of the next decade. SKF India (Industrial) 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 it is primarily engaged in the manufacturing and supply of high-quality bearings and their components in India, serving diverse industrial and automotive applications.

The Company operates as a technology-driven organisation, committed to delivering innovative, efficient, and sustainable engineering solutions. Its product and service portfolio is built around an

integrated technology approach encompassing bearings and units, seals, mechatronics, lubrication systems, and allied services.

Through its solutions, the Company aims to support customers in enhancing operational performance by reducing friction, improving energy efficiency, and increasing equipment reliability and longevity. The Company places strong emphasis on research-led innovation and continuous improvement, enabling it to offer customised, value-added solutions tailored to specific customer and industry requirements.

With a customer-centric approach and focus on sustainability, the Company is well-positioned to contribute to the advancement of the industrial sectors while creating long-term value for all its stakeholders.

Directors' Report (contd.)**Demerger of Industrial business of SKF India Limited into the Company**

Your Company was incorporated on 17th December, 2024, as a wholly owned subsidiary of SKF India Limited for the purpose of carrying on the Industrial business, as part of SKF Group's global separation of its Automotive and Industrial businesses.

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

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

The Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 26th September, 2025. The Appointed Date and Effective Date of the Scheme is 1st October, 2025.

Changes in Share Capital of Company**Authorised share capital:**

The members approved the increase in authorised capital of the Company from 150,000 (One Lakh Fifty Thousand) equity shares of INR 10/- (Rupees Ten only) each aggregating to INR 1,500,000/- (Rupees Fifteen Lakh only) to 50,000,000 (Five Crores) equity shares of INR 10/- (Rupees Ten only) each aggregating to INR 500,000,000/- (Rupees Fifty Crores only) vide its Extra Ordinary General Meeting held on 20th May, 2025 by passing an Ordinary Resolution.

Paid-up Share Capital:

Upon the Scheme becoming effective, on 17th October, 2025, Company allotted 49,437,963 fully paid-up equity shares of INR 10/- each to the members of SKF India Limited as on the Record Date (i.e 15th October, 2025), in accordance with the share entitlement ratio

of 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each of the Resulting Company for every 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each held in the Demerged Company ('Share Entitlement Ratio'), as set out in the Scheme. The entire pre-scheme share capital of INR MINR 0.1 of the Company held by SKF India Limited was cancelled pursuant to the Scheme. The Company ceased to be SKF India Limited's wholly owned subsidiary.

Listing at BSE Limited and National Stock Exchange of India Limited

In terms of the Scheme, Company's shares were listed on BSE Limited (Scrip Code: 544572) and the National Stock Exchange of India Limited (Symbol: SKFINDUS) on 5th December, 2025, marking its commencement as an independent listed entity positioned to pursue growth in the Industrial business segment.

3. Operations:

The Revenue from operations of the Company for the year ended on 31st March, 2026 stood at INR 34,403.6 Million compared to INR 7,206.1 Million in the previous period (17th December, 2024 to 31st March, 2025). The Company's Profit before Tax for the year under review was INR 2,212.7 Million compared to INR 1,644.0 Million in the previous period (17th December, 2024 to 31st March, 2025).

The Profit after Tax for this period was INR 2,176.7 Million, compared to INR 1,213.1 Million during the previous period (17th December, 2024 to 31st March, 2025).

The Company incurred a capital expenditure of INR 2,397.02 Million during the year.

4. Transfer to Reserves:

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

5. Dividend:

The Board of Directors has recommended a Dividend of INR 10/- per equity share having face value of INR 10/- each to its shareholders for financial year ended 31st March, 2026. The Dividend would be paid subject to the approval of the Members at the ensuing 2nd Annual General Meeting of the Company to be held on 13th August, 2026.

Directors' Report (contd.)

The record date is Friday, 3rd July, 2026, for the purpose of determining the eligibility of the shareholders for payment of the dividend for the financial year ended 31st March, 2026.

Dividend income is taxable in the hands of the Members/Shareholders and the Company is required to deduct tax at source ("TDS") from dividend payments in accordance with the provisions of the Income-tax Act, 2025 ("IT Act, 2025").

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://cdn.skfmediahub.skf.com/api/public/09b078cfe6ebb749/pdf_preview_medium/Dividend_Distribution_Policy_pdf_preview_medium.pdf

6. Share Capital Structure and Listing of Shares:

The paid-up share capital of the Company as of 31st March, 2026, is 494.38 MINR - divided into 49,437,963 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, on 17th October, 2025, Company allotted 49,437,963 fully paid-up equity shares INR 10/- each of the Company to the members of SKF India in accordance with the share entitlement ratio of 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each of the Resulting Company for every 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each held in the Demerged Company ('Share Entitlement Ratio') set out in Scheme. Accordingly, the entire pre scheme equity share capital of 0.1 Million held by SKF India Limited in the Company was reduced and cancelled pursuant to the Scheme and the Company ceased to be wholly owned subsidiary of SKF India Limited.

Your Company got listed on BSE Limited (Scrip Code: 544572) and the National Stock Exchange of India Limited (Symbol: SKFINDUS) on 5th December, 2025. 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 2025-26. As of 31st March, 2026, none of the Directors of the Company hold any instruments convertible into equity shares of the Company.

7. Subsidiary, Holding, Joint Ventures and Associates

The entire pre demerger scheme equity share capital held by SKF India Limited in the Company was reduced and cancelled pursuant to the Scheme of Arrangement and the Company ceased to be wholly owned subsidiary of SKF India Limited.

The Company does not have any Subsidiaries, Joint Ventures and Associates companies, accordingly the disclosure in Form AOC 1 pursuant to provisions of Section 129 (3) of the Act read with Rule 5 of Companies (Accounts) Rules, 2014 as amended, is not applicable to the Company for FY 2025-26.

8. 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:

Key Recognitions: FY 2025-26

Quality Excellence and Poka-Yoke

- **18th CII Poka-Yoke Competition 2025:** Secured Platinum Awards for alarm and shutdown-type error-proofing solutions.
- **Control-type Poka-Yoke:** Earned Gold and Silver recognitions for meticulous implementation of error-proofing standards.
- **CII Champion Trophy:** Recognised with Jury Champion Awards specifically in Poka-Yoke categories.

Continuous Improvement and Kaizen

- **CII National Kaizen Competitions (52nd & 54th):** Won multiple Gold and Silver Awards across renovative, breakthrough, innovative, and restorative categories.
- **CII Challenger Trophy:** Earned Star, Jury, and Super Challenger Awards across diverse themes including restorative, control, and MURI.
- **CII Champion Trophy:** Achieved Star and Jury Champion Awards for excellence in driving systematic improvement initiatives.
- **QCFI Kaizen Competition (Pune):** Awarded Gold for high-impact case study presentations.

Directors' Report (contd.)

Quality Circles and Operational Excellence

- **CCQC Competition (QCFI, Pune):** Secured multiple Gold Awards for case studies, alongside Silver and Bronze recognitions for poster and slogan categories.
- **39th National Convention on Quality Concepts (NCQC 2025):** Honoured with Excellence and Par Excellence Awards for quality circle initiatives.
- **NCQC 2025 Projects:** Earned multiple recognitions for demonstrating excellence in quality circle execution.

Energy and Sustainability

- **Energy Conservation Competition 2025 (QCFI, Pune):** Won multiple Gold and Silver Awards for initiatives focused on operational energy efficiency.
- **Sustainability Communication:** Earned Gold Awards in slogan and poster categories for effectively promoting environmental awareness.
- **Leadership & Excellence Awards 2026:** Named 'Best Sustainability in Manufacturing', validating our commitment to responsible operations.

Innovation and Digitalisation

- **20th CII 3M Competition:** Achieved Platinum and Gold Awards for MUDA (waste reduction) and MURI (process optimisation) improvements.
- **CII Digitalisation Forums:** Recognised for pioneering AI-driven improvements and digital transformation in quality processes.
- **Leadership & Excellence Awards 2026:** Earned recognition for 'Digital Innovation in Operations'.
- **20th ACMA Regional Quality Circle Competition:** Awarded for the 'Most Innovative Solution'.

Safety and International Recognition

- **ICQCC Taiwan:** Earned a Gold Award at the 50th International Convention on Quality Control Circles, benchmarking our quality practices against global standards.
- **QCFI Safety Week:** Won multiple Gold Awards across case study, poster, slogan, and skit categories, alongside Silver and Bronze recognitions for safety awareness programmes.

9. Management's Discussion and Analysis and Outlook:

As required under Regulation 34(2) of the SEBI Listing Regulations, 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 forms part of the Annual Report as **Annexure-A**.

The State of Affairs of the business, along with the financial and operational development, has been discussed in detail in the Management Discussion and Analysis Report.

10. Corporate Governance

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**.

11. Board Meetings, Board of Directors, Key Managerial Personnel and Committee of Directors:

During the year under review, your Company has made changes in its Board of Directors and Key Managerial Personnel as it transitioned into an independent entity following the demerger of Industrial business.

The details are mentioned below:

a) Resignation of Directors:

Mr. Dinesh Verma (DIN: 09771230) and Mr. Shailesh Sharma (DIN: 09493881) resigned as Non-Executive and Non-Independent Directors of the Company effective from 30th September, 2025. The Board places on record its appreciation for the valuable contributions made by Mr. Dinesh Verma and Mr. Shailesh Sharma during their tenure as Non-Executive and Non-Independent Directors of the Company.

b) Appointment of Directors:

Board of Directors have made following appointments w.e.f. 1st October, 2025 –

- Mr. Mukund Vasudevan (DIN: 05146681) as Managing Director
- Mr. Sujeeth Pai (DIN:07763929) as, Whole Time Director
- Mr. Ajay Naik (DIN: 07127264) as, Non-Executive Director
- Mr. Karl Robin Joakim Landholm (DIN: 09651911) as, Non-Executive Director

Directors' Report (contd.)

- Mr. Gopal Subramanyam (DIN: 06684319) as, Non-Executive, Independent Director
- Ms. Anu Arun Wakhlu (DIN: 00122052) as Non-Executive, Independent Director on the Board

None of the Directors are debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, they are not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.

The shareholders' approved the above appointments made by Board of Director in the Extra Ordinary General Meeting held on 15th October, 2025.

c) Retire by Rotation:

According to the provisions of section 152(6) of the Companies Act, 2013, Mr. Sujeeth Pai is liable to retire by rotation as he has been the longest in office since his last appointment on 1st October, 2025. Mr. Sujeeth Pai being eligible has offered himself for re-appointment as a Director of the Company. A brief profile of Mr. Sujeeth Pai seeking appointment/reappointment as Director(s) at the 2nd Annual General Meeting of the Company is attached to the Notice of the Annual General Meeting sent to the shareholders.

d) Appointment of Key Managerial Personnel:

- Mr. Mukund Vasudevan (DIN: 05146681) appointed as the Managing Director (Key Managerial Personnel) with effect from 1st October, 2025 to hold the office for a period of five years i.e., till 30th September, 2030. Necessary shareholder approval was obtained by the Company in the Extra Ordinary General Meeting held on 15th October, 2025.
- Mr. Sujeeth Pai (DIN: 07763929) appointed as Whole Time Director, (Key Managerial Personnel) with effect from 1st October, 2025 to hold the office for a period of five years i.e., till 30th September, 2030. Necessary shareholder approval was obtained by the Company in the Extra Ordinary General Meeting held on 15th October, 2025.

- Mr. Ashish Saraf, appointed as Chief Financial Officer of the Company with effect from 1st October, 2025.
- Mr. Ranjan Kumar, appointed as the Company Secretary and Compliance Officer with effect from 1st October, 2025. He resigned from the office of the Company Secretary and Compliance Officer of the Company with effect from 31st January, 2026.
- Ms. Poorva Bang, appointed as the Company Secretary and Compliance Officer of the Company with effect from 3rd February, 2026.

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.

e. 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 Arun 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.

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.

Directors' Report (contd.)

f. Board and its Committee Meetings:

Details of the Board Meeting and other Committees held during the financial year 2025-26 are stated in **Corporate Governance Report** which is forming part of this Annual Report.

The Board has constituted the following committees -

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

The composition of each of the above Committees, their respective roles and responsibilities are provided in the **Corporate Governance Report**, which is forming part of this Annual Report.

g. Board Evaluation and Criteria for 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-assessments, covering various relevant criteria such as degree of fulfilment of key responsibilities, effectiveness of Board processes, participation levels, culture, strategy, risk management, Corporate Governance and responsibilities to various Committees, etc.
- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from various Directors, including the assessment of individual directors by the 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.

h. Policies

The Company has adopted all policies as required under the provisions of the Act and the SEBI (Listing Obligation & Disclosures) Regulations, 2015. The same are available on the website of the Company at –

<https://www.skf.com/in/investors/skf-india-industrial-ltd/shareholder-information>

i. Recommendations of the Audit Committee and Other Committees:

All the recommendations of the Audit Committee and other Committees were accepted by the Board.

j. Meeting amongst Independent Directors

During the year under review, the Independent Directors of the Company met separately on 16th March, 2026, 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.

Both the Independent Directors attended the meeting.

k. Familiarisation Programme:

The details of the training and familiarisation programme are provided in the Corporate Governance Report annexed hereto as **Annexure-B** and is also available on the Company's website at https://cdn.skfmediahub.skf.com/api/public/098d1d3ec3251342/pdf_preview_medium/Familiarization_Programme_of_Independent_Directors_2025-26_pdf_preview_medium.pdf

l. 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 Appointment of Directors and Remuneration Policy is available on the Company's website at https://cdn.skfmediahub.skf.com/api/public/091b5affae360742/pdf_preview_medium/Policy_for_appointment_and_remuneration_for_Directors_pdf_preview_medium.pdf

Directors' Report (contd.)

m. 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 Arun Wakhlu (Independent Woman Director). The other Members of the Committee are Mr. Gopal Subramanyam (Independent Director) and Mr. Ajay Naik (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**

n. Corporate Social Responsibility Committee:

In accordance with the provisions of Section 135 of the Act and rules framed thereunder, even though the provisions of Corporate Social Responsibility were not applicable to the Company for the financial year 2024-25 and FY 2025-26, the Board of Directors have constituted a Corporate Social Responsibility Committee in terms of the requirements of the Section 135 of Companies Act, 2013, with effect from 1st October, 2025. The Committee 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 Arun 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/09d10cb26e063b49/pdf_preview_medium/Corporate_Social_Responsibility_Policy_pdf_preview_medium.pdf

o. Risk Management Committee:

The Company's Enterprise Risk Management ('ERM') is a company-wide framework of methods and processes used to identify, assess, monitor and mitigate risks and seize opportunities related to achievement of the Company's business objectives. Major risks identified by the Business Divisions and Corporate Departments are systematically addressed through mitigating actions on a continuing basis. The Company has a Risk Management Committee in accordance with the requirements of LODR to, inter alia, monitor the risks and their mitigating actions.

The Board of Directors of the Company has developed, adopted & implemented 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 at https://cdn.skfmediahub.skf.com/api/public/09b580e4bd1daf4b/pdf_preview_medium/Risk_Management_Policy-20260313145400_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**.

12. Safety/Sustainability Safety :

a) Safety:

SKF is committed to a vision of "Zero-Injury" for everyone working at its sites and for those engaged off-site. Safety is our foremost concern, and we firmly believe that all work-related incidents are preventable.

Health and Safety Management continues to be the Company's top priority, with safety embedded in our strategy and daily operations. We place strong emphasis on the welfare of our employees, ensuring a safe and healthy environment free from injuries, accidents, and occupational health hazards.

To support this commitment, SKF has adopted a structured approach in EHS management system where we implement safety Policies and programmes that integrate safety into business processes, driving continual improvements in safety performance.

Directors' Report (contd.)

Our safety strategy is anchored around 3 focus areas:

1. Safety Pyramid
2. Machine Safety
3. Continual Improvement

SKF is certified to ISO 45001:2018, ensuring compliance with the standards. Our aim is to set benchmarks that exceed certified management systems, and we actively share our safety standards and experience with operators, contractors, and professional organisations. Safety risks are managed across all business units using robust standards, controls, and compliance systems, with particular focus on the use of the "Safety Pyramid" to drive proactive reporting and following up on first aids, near-miss, unsafe condition and unsafe behaviour. Lessons learnt are shared across units for horizontal deployment.

Structured programs are maintained to strengthen a robust safety culture throughout our factories, Sales Offices, Warehouses, and project sites. SKF has kick-start on the machine safety "investment-ready concept" programme in which no new investment is approved unless mandatory management training on introduction to machine safety is fulfilled and minimum 3 machine risk assessments to be conducted by qualified machine safety experts. Consequently, the ambition is to have year-on-year improvement in the number of risk assessments conducted according to ISO machine standards and corrective actions taken for all our machines.

We have begun mapping employees' safety competency to identify areas for improvement and enhanced skills and knowledge through our KUSHAL Training Centre. Recently, the inauguration of the "Safety Skill Center" at our Pune site further reinforces the importance of workplace safety and our goal of achieving zero injuries. Training and awareness remain central to our safety strategy, and our EHS practices and policies are communicated to contractors and suppliers, ensuring alignment with our safety requirements.

In addition, SKF commemorates National Safety Month and World Environment Day at all sites, actively engaging stakeholders in these initiatives.

The Company has reported no recordable accident. The continued positive trend in reporting unsafe conditions, behaviors, near-miss and first aid incidents underscores our increased vigilance and responsiveness to safety risks.

SKF prioritizes safety in every business decision, ensuring that employees' health and well-being remain at the core of its operations.

b) Sustainability:

Sustainability remains central to SKF's vision of building an Intelligent and Clean SKF. More than an environmental commitment, sustainability is deeply embedded into our business strategy, operational excellence, innovation roadmap, and customer value proposition.

At SKF, sustainability drives how we design products, optimize manufacturing, engage suppliers, and create differentiated value for customers by enabling lower lifecycle emissions, improved resource efficiency, supply chain resilience, and responsible growth.

Our strategy is anchored around three focus areas:

- Climate Transformation
- Circularity
- Responsible Business

Through our Green Manufacturing Initiative, we are driving measurable progress toward:

- Net Zero GHG emissions
- Zero Waste to Landfill
- Water Neutrality
- Product and Process Circularity

These initiatives are designed not only to reduce environmental impact across our operations and value chain, but also to strengthen business competitiveness and support our customers in achieving their own sustainability ambitions.

Sustainability as a Business & Customer Enabler

Sustainability is increasingly becoming a key customer expectation and a critical factor in supplier selection. SKF's sustainability initiatives enhance customer centricity by enabling us to:

- Deliver products manufactured with **lower embedded carbon**
- Improve supply chain transparency and ESG compliance

Directors' Report (contd.)

- Support customers in reducing operational energy consumption
- Enable circular product solutions that extend asset life
- Strengthen reliability through resource-efficient manufacturing
- Create long-term value through responsible and resilient operations

By integrating sustainability into our core business processes, SKF is creating solutions that are not only technologically advanced but also aligned with the evolving ESG priorities of customers across industries.

Key Strategic Interventions

To achieve these goals, SKF has implemented focused initiatives across all manufacturing sites:

- Fossil fuel elimination to reduce **Scope 1 emissions**
- Energy efficiency improvements and renewable energy sourcing to reduce **Scope 2 emissions**
- Supply chain, logistics optimization to reduce **Scope 3 emissions**
- Water conservation and zero-discharge systems
- Reduction in oil and chemical consumption
- Waste elimination through reuse, recycling, and reprocessing

SKF remains committed to the **Science Based Targets initiative**, with ambitious targets of:

- **100% manufacturing decarbonization by 2030**
- **Net Zero across the full value chain by 2050**

Decarbonisation Progress

Our Pune and Bangalore factory have achieved their decarbonisation status which means reducing the overall emissions (Scope 1 + Scope 2) by more than 95% based on the Group threshold level.

Renewable Energy Progress

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

This transition strengthens operational resilience while enabling lower-carbon products for customers.

Supply Chain Decarbonization

Recognising Scope 3 emissions as a critical lever, SKF is actively collaborating with suppliers to improve

ESG performance and build a more responsible supply ecosystem.

Key actions include:

- ESG assessment of suppliers
- Supplier capability-building workshops
- Deployment of long-term GHG reduction roadmaps- sourcing from low carbon intensive supplier, use of secondary steel materials etc

The target is to reduce the Scope 3 Purchased Material emissions by 35% by 2030 from 2019 levels. This strengthens supplier capability while improving value chain sustainability for our customers.

Sustainable Logistics

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

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

These initiatives reduce emissions while improving delivery efficiency and service reliability.

Water Stewardship

With manufacturing facilities located in water-stressed regions, water stewardship remains a strategic priority.

Progress includes:

- **Bangalore site is certified 2 times water positive**
- Zero discharge through ETP and STP reuse systems
- Expanded rainwater harvesting and storage infrastructure

SKF is committed to achieving **water neutrality across all sites by 2028**.

Circularity in Operations

Circular manufacturing practices continue to deliver measurable business and environmental benefits:

- Reconditioning and reuse of hydraulic oil at Pune through Recond oil system
- Coolant recovery and sludge recycling across sites
- 100% Grinding dust recycling at Bangalore and co-processing at Pune
- Grinding allowance optimisation projects across certain bearing types in Pune

Directors' Report (contd.)

These efforts improve material efficiency, reduce operational costs, and strengthen circular value creation.

Waste & Packaging Optimization

To reduce packaging-related waste, SKF has implemented:

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

Sustained Investment

As a responsible business, SKF continues to invest in:

- Renewable energy infrastructure
- Energy efficiency projects
- Sustainable manufacturing technologies
- Long-term transformation initiatives

Our focus for FY **2025–26** is clear: to continue our decarbonization journey, deepen circularity, and embed sustainability further into every business decision.

By integrating sustainability into our core business strategy, SKF is not only reducing environmental impact but also enhancing customer value, strengthening competitiveness, and enabling a more resilient and future-ready industrial ecosystem.

SKF has committed itself to Science Based Targets Initiatives (SBTI) for Net Zero GHG emission program.

13. 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 3 (three) 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, 2026, 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.

Directors' Report (contd.)

14. Financial Statements:

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

The Financial Statements of the Company are available on the website of the Company, which can be accessed at <https://www.skf.com/in/investors/skf-india-industrial-ltd/financial-results> in the 'Board Outcome and Financial Results' section.

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

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

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

16. 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, 2026, the applicable accounting standards have been followed and there are no material departures
- b) Appropriate accounting policies have been selected and applied them consistently. And made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as of 31st March, 2026, and of the profit of the Company for the period ended 31st March, 2026.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
- d) Annual accounts of the Company have been prepared on a going concern basis
- e) Internal financial controls have been laid down and are being followed by the Company and that such internal financial controls are adequate and are operating effectively
- f) Proper system to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively

17. 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/0952670989a77b41/pdf_preview_medium/Policy_on_Related_Party_Transactions-20260313145359_pdf_preview_medium.pdf

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.

Pursuant to Listing Regulations, the resolution for seeking approval of the members on material related party transaction(s) is being placed at the 2nd AGM of the Company.

The 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 Act in Form AOC-2 pursuant to section 134(3)(h) of Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out in the **Annexure-C** to this Report.

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.

Directors' Report (contd.)**18. Vigil Mechanism/Whistle-blower Policy:**

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.

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/09ebe387d032664d/pdf_preview_medium/Vigil_Mechanism_Policy_pdf_preview_medium.pdf

19. Business Responsibility and Sustainability Report (BRSR):

In terms of Regulation 34 (2) (f) of the SEBI LODR, the Business Responsibility and Sustainability Report (BRSR) is not applicable to the Company.

20. Deposits from Public

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

The Company has not accepted any deposits which are not in compliance with the requirements of Chapter V of the Act.

Further the Company has not accepted any money from its directors or relatives of Directors during the Financial Year 2025-26.

21. Statutory Auditors

At the 1st Annual General Meeting of the Company held on 19th September, 2025, **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 6th Annual General Meeting of the Company to be held in the FY 2030-31, on such remuneration as may be

decided by the Audit Committee / Board of Directors of the Company from time to time.

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

22. Secretarial Auditor and Secretarial Audit 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 Board of Directors, have appointed M/s J. B. Bhave & Co., Company Secretaries, as the Secretarial Auditor for conducting Secretarial Audit of the Company for financial year 2025-26.

Further, based on the recommendation of the Audit Committee and subject to the approval of the Members of the Company to be sought at the ensuing 2nd Annual General Meeting of the Company held on 12th May, 2026, the Board of Directors of the Company at its meeting held on 12th May, 2026 has appointed M/s J. B. Bhave & Co., Company Secretaries as the Secretarial Auditors of the Company for the five consecutive years i.e., from FY 2026-27 till FY 2030-31, as required under Regulation 24A of SEBI LODR.

The Secretarial Auditors have submitted their report for the financial year ended on 31st March, 2026, in **Form No. MR-3** which is enclosed as **Annexure-D** with 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).

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-E**.

The Company has received an **Annual Secretarial Compliance Report** from M/s Ruchi Bhawe, Practising

Directors' Report (contd.)

Company Secretaries for the Financial Year ended 31st March, 2026 and it was submitted to the stock exchange(s)

23. Cost Records and Cost Auditor:

a) Maintenance of Cost Records

The Company has maintained the cost records under Section 148(1) of the Act read with Companies (Cost Records and Audit) Rules, 2014

b) Cost Audit

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

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

Further, based on the recommendation of the Audit Committee, the Board of Directors of the Company at its meeting held on 12th May, 2026 has appointed M/s Joshi Apte & Associates, Cost Accountants as the Cost Auditors of the Company for the financial year 2026-27.

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 their approval. Accordingly, a resolution for seeking Members' approval for the remuneration payable to M/s Joshi Apte and Associates, Cost Auditor for FY 2026-27 is included in the Notice convening the 2nd Annual General Meeting.

24. 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.

25. Significant and material orders passed by the Regulators or Courts or Tribunals

During the FY 2025-26, on the application of the Company, the Hon'ble National Company Law Tribunal, Mumbai Bench, approved the scheme of arrangement between SKF India Limited ('demerged company') and SKF India (Industrial) Limited ('resulting company') and passed the order for approving the scheme of arrangement on 26th September, 2025. Other than the above order, no other significant and material order(s) were passed by the Regulators or courts or tribunals.

26. 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-F** 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 industrialindia@skf.com.

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

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

27. 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.

Directors' Report (contd.)**28. Transfer of Equity Shares / Unpaid and Unclaimed Amounts to IEPF:**

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

During the year under review, the Company has not declared any Dividend hence there were no instances requiring the Company to transfer any amount or shares to the Investor Education and Protection Fund ("IEPF") pursuant to the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

However, pursuant to the Scheme of Arrangement between SKF India Limited ("Demerged Company") and SKF India (Industrial) Limited ("Resulting Company" or "the Company"), the Company allotted equity shares in the ratio of 1:1 to the existing shareholders of the Demerged Company. Correspondingly, equivalent shares of the Resulting Company were also allotted in respect of the shares held by the IEPF Authority pertaining to the Demerged Company.

Accordingly, pursuant to the provisions of Rule 6(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 read with Section 124(6) of the Companies Act, 2013, the Company has credited the benefits accruing in the form of such allotted shares due to Demerger Scheme, to the DEMAT account of IEPF Authority.

29. Particulars of Loans, Guarantees or Investments:

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

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

30. Annual Return:

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

31. Policy on Prevention of Sexual Harassment at Workplace:

At SKF Industrial, 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.

The Company 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:

Directors' Report (contd.)

Below are details of the Complaints:

Sr. No.	Particular	Remark
1.	Number of complaints of sexual harassment received in the FY 2025-26	5
2.	Number of complaints disposed-off during the FY 2025-26	4
3.	Number of complaints pending for more than 90 days	0
4.	Number of Complaints pending as on end of the financial year	1

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/0907827d07e79649/pdf_preview_medium/Policy_on_Prevention_of_Sexual_Harassment_at_Workplace_pdf_preview_medium.pdf

32. Disclosure under Maternity Benefits Act, 1961

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

33. 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-G** to this Report.

34. 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 Financial Statements for the Financial year ended 31st March, 2026.

The Report of Secretarial Auditors for the Financial Year ended 31st March, 2026 is also unmodified.

35. Proceeding under Insolvency and Bankruptcy Code, 2016

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

36. 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.

37. 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://cdn.skfmediahub.skf.com/api/public/098f1e4dec9b6e43/pdf_preview_medium/Code_of_Conduct_for_Directors_and_Senior_Management_pdf_preview_medium.pdf

All Directors and Senior Management personnel have affirmed their compliance with the said Code. A declaration pursuant to Regulation 26 (3) read with part D of the Schedule V of the SEBI LODR, 2015 signed by the Managing Director to this effect is annexed as a part of the Annual Report as **Annexure-H**.

38. 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.

39. 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.

Directors' Report (contd.)

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.

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 (Industrial) Limited**

40. Acknowledgements:

The Directors express their deep sense of gratitude to the Principals, Aktiebolaget SKF, customers, members, suppliers, employees, bankers, business

Date: 12th May, 2026

Place: Pune

Gopal Subramanyam

Chairman

DIN: 06684319

Annexure – A

MANAGEMENT DISCUSSION AND ANALYSIS



Economic Overview

Global Economic Overview

The global economy is entering a more uncertain phase, with growth moderating below earlier expectations. According to the International Monetary Fund (IMF) April 2026 update, global GDP growth is now projected at 3.1% in 2026 and 3.2% in 2027, reflecting a softer trajectory compared to prior estimates. This moderation comes despite the resilience shown in recent years and signals a transition towards a slower, more constrained growth environment.

This shift is being shaped by a combination of factors. Escalating geopolitical disruptions, particularly the conflict in the Middle East, rising trade fragmentation, and tighter financial conditions are weighing on global activity. Commodity price volatility and firming inflation expectations are adding further pressure, particularly for emerging economies dependent on imports.

At the same time, structural drivers continue to support the

global economy. Investment in productivity-enhancing technologies, especially artificial intelligence and digitalisation, remains a key medium-term growth lever. However, the pace and distribution of these gains remain uneven across regions and sectors.

Growth Dynamics Across Regions

Growth trends continue to diverge across economies:

- **Advanced economies** are expected to grow at **1.8% in 2026** and **1.7% in 2027**, supported by stabilising inflation and improving real incomes, but constrained by high interest rates, fiscal consolidation, and demographic pressures.

- **Emerging markets and developing economies (EMDEs)** are projected to grow at **3.9% in 2026**, before recovering to 4.2% in 2027, remaining the primary engines of global growth. However, they face heightened vulnerability to external shocks, capital flow volatility, and commodity price movements.

Notably, growth pressures are expected to be more pronounced in EMDEs in the near term, particularly in commodity-importing nations with limited policy buffers.

Inflation and Financial Conditions

The global disinflation trend is expected to pause temporarily. Inflation may **rise modestly in 2026** before resuming its downward trajectory in 2027, driven by commodity price

movements and geopolitical developments.

Financial conditions are gradually easing but remain tighter than pre-pandemic levels. Elevated borrowing costs continue

to influence investment decisions, corporate financing, and consumer demand across markets.

Trade and Geopolitical Context

Global trade is undergoing structural realignment. While supply chains have become more diversified, fragmentation and policy-driven shifts continue to reshape trade flows.

Geopolitical developments are emerging as a central risk factor. Conflicts and strategic tensions are impacting energy markets, logistics networks, and technology ecosystems. Rising defence spending is also creating macroeconomic trade-offs, supporting short-term activity but adding to fiscal pressures and public debt over the medium term.

Outlook



The global outlook remains stable but tilted to the downside, with growth moderating, inflation remaining uneven, and policy flexibility constrained by elevated public debt and limited fiscal space. Prolonged geopolitical conflicts, increasing trade fragmentation, slower-than-expected productivity gains from emerging technologies such as artificial intelligence, and the possibility of tightening global financial conditions continue to pose key risks to

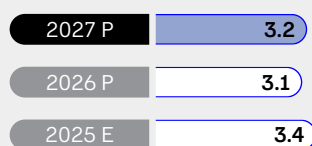
the economic environment. At the same time, there is potential for improvement if technological adoption accelerates or if trade tensions ease in a sustained manner. Overall, the operating landscape is characterised by moderate growth, heightened uncertainty, and ongoing structural transitions, requiring businesses to remain focused on resilience, disciplined capital allocation, and the ability to respond effectively to external disruptions.

(Source: <https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>)

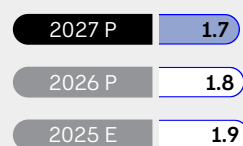


GDP Growth Projections (in %)

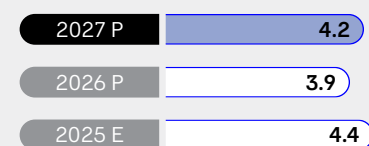
Global Economy



Advanced Economies



Emerging Markets and Developing Economies



E – Estimated | P – Projected

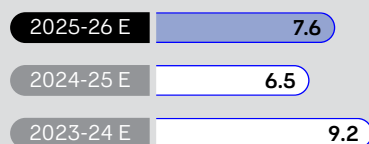
(Source: <https://www.imf.org/en/publications/weo/issues/2026/04/14/world-economic-outlook-april-2026>)

Indian Economic Overview

In FY 2025-26, India sustained strong macroeconomic momentum despite an unsettled global environment. Growth remained anchored in domestic demand, infrastructure expansion, and manufacturing activity, even as external risks from geopolitical tensions and commodity price volatility increased. According to estimates from the Reserve Bank of India and national data sources, India's real GDP is expected to grow at around 7.6%, supported by resilient services, steady consumption, and continued investment momentum.

For sectors linked to metals, mobility, and industrial applications, this environment translated into stable underlying demand, driven by infrastructure creation, automotive production, and energy transition initiatives. Policy emphasis on strengthening domestic manufacturing, reducing import dependencies, and building industrial capacity continues to support long-term growth visibility.

Growth Rate Projections (in %)



E – Estimated

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/Infographics%20English.pdf>
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2219912®=3&lang=2>)

Domestic demand remained the primary growth engine. Stable private consumption, supported by improving income levels and earlier easing of inflation, combined with sustained public capital expenditure, continued to drive infrastructure creation and industrial activity.

Government-led investments in logistics corridors, industrial

clusters, and urban infrastructure are strengthening demand across core sectors such as steel, automotive, and engineering. In parallel, initiatives focused on manufacturing competitiveness, supply chain localisation, and capacity expansion are reinforcing India's position as a key global manufacturing hub.



INDIA'S REAL GDP IS EXPECTED TO GROW AT AROUND 7.6%, SUPPORTED BY RESILIENT SERVICES, STEADY CONSUMPTION, AND CONTINUED INVESTMENT MOMENTUM.

Inflation and Policy Environment

Inflation trends reflected both domestic and global influences. While earlier moderation was supported by improved supply conditions, emerging pressures from rising energy and commodity prices have introduced upside risks. This has implications for input costs

and margin management across material-intensive industries.

The Reserve Bank of India maintained a calibrated and cautious monetary stance, balancing inflation control with growth support. Headline inflation is expected to remain within a manageable range,

although it remains sensitive to crude oil price movements, weather-related supply disruptions, and exchange rate volatility. Policy transmission continues to support liquidity conditions while ensuring macroeconomic stability.

External Sector and Financial Stability

India's external position remained broadly stable, supported by strong services exports and resilient remittance inflows. However, rising crude oil prices and global uncertainties may widen the current account

deficit and exert pressure on inflation and currency stability.

Despite these challenges, India continues to attract strong foreign investment flows, driven by its structural growth prospects, expanding industrial base, and

ongoing ease-of-doing-business reforms. The financial system remains robust, with healthy credit growth, improved asset quality, and strong capital buffers across banks, supporting continued economic expansion.

Sectoral Momentum and Infrastructure Expansion

The services economy continued to expand across software, consulting, logistics and tourism. Manufacturing remained resilient, with increasing contributions from medium- and high-technology industries, electronics, pharmaceuticals

and automotive sectors. Accelerated public investment in roads, railways, ports, power and digital connectivity strengthened competitiveness and reduced structural bottlenecks.

India's energy transition is progressing through renewable

expansion, energy storage development and nuclear capacity augmentation, supported by evolving ESG and sustainable finance frameworks.

Employment and Skilling

Labour market indicators show improving workforce participation and declining unemployment. Implementation of labour codes, expansion of

industry-aligned skilling initiatives and rising female workforce participation are strengthening labour market dynamics. Apprenticeships and digital skill

platforms continue to enhance employability and productivity.

Outlook



India is expected to maintain its position among the fastest-growing major economies, although growth is likely to moderate slightly in the near term. The Reserve Bank of India projects GDP growth at around 6.9% for FY 2026-27, reflecting the impact of rising external risks such as geopolitical tensions,

commodity price volatility, and global uncertainty.

Despite this moderation, the underlying growth drivers remain strong. Domestic demand, continued infrastructure investment, fiscal discipline, and a resilient financial system provide a stable foundation for sustained

expansion. While external headwinds may create near-term volatility, ongoing reforms, digital advancement, and India's demographic advantage position the economy for steady medium-term growth.

(Source: <https://www.indiabudget.gov.in/economicsurvey/doc/Infographics%20English.pdf>)

<https://economictimes.indiatimes.com/news/economy/indicators/rbi-gdp-growth-fy-2026-27-mpc-meeting-gdp-forecast-india-eases-growth-forecast-as-iran-war-oil-surge-risks-cloud-growth-trajectory/articleshow/130091660.cms?from=mdr>

<https://www.thehindu.com/business/rbi-monetary-policy-meeting-speech-april-8-2026-live-updates/article70837023.ece>



Industry Overview

Global Industrial Bearings Market

The global industrial bearings market is entering a sustained growth phase, supported by electrification, automation and infrastructure investments across developed and emerging economies. According to Mordor Intelligence, the market is expected to expand from USD 54.6 Billion in 2025 to USD 92.53 Billion by

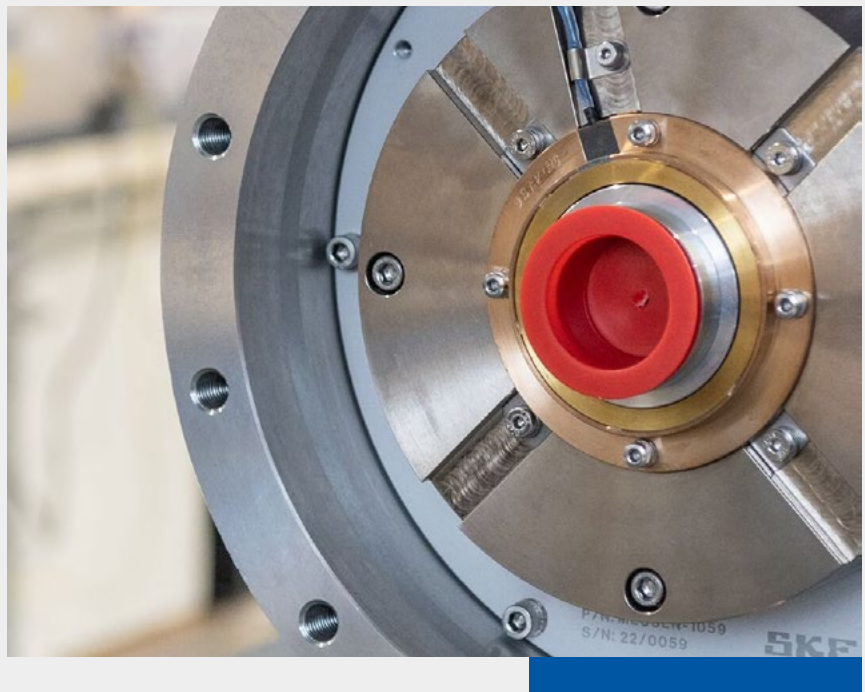
2031, reflecting a CAGR of 9.2% over 2026-2031. Demand is being driven by higher capital expenditure in renewables, railways, metals, mining, cement and general industrial machinery, alongside rising electric vehicle penetration and factory automation. Bearings are evolving from standardised mechanical components to

precision-engineered, performance-critical systems, improving uptime, reliability and energy efficiency in increasingly complex operating environments.

Key Trends

1 Infrastructure-led Industrial Expansion

Investments across railways, metals, cement, mining, construction and general industrial machinery are driving demand for high-performance bearings and reliability solutions. Expansion in freight corridors, metro rail, renewable energy and industrial manufacturing continues to support demand for engineered bearing applications.



2 Smart Maintenance and Reliability Solutions

Industrial customers are increasingly adopting sensor-enabled bearings, condition monitoring systems and predictive maintenance solutions to improve uptime, reduce unplanned downtime and optimise asset performance. Integration of digital analytics and remote monitoring is accelerating across industrial operations.

3 Localisation and Supply Chain Realignment

Manufacturers are strengthening local production capabilities and regional supply chains to improve responsiveness, reduce lead times and mitigate global supply chain disruptions. The increasing focus on localisation is also supporting customised, application-specific solutions for Indian operating conditions.

4 Growth in Renewable Energy and Heavy Industries

Expansion in wind energy, metals, mining and other process industries is creating demand for durable, high-load and corrosion-resistant bearing solutions capable of operating in challenging industrial environments.

5 Aftermarket and Service-Led Opportunities

Industrial customers are increasingly focusing on lifecycle performance, reliability and maintenance efficiency. This is expanding opportunities in condition monitoring, lubrication management, remanufacturing and asset reliability services alongside traditional product sales.

6 Raw Material and Energy Cost Volatility

Fluctuations in alloy prices, energy costs and freight rates continue to influence cost structures across the industry, reinforcing the need for procurement resilience, operational efficiency and disciplined pricing strategies.

7 Electrification and Evolving Mobility Technologies

The transition towards electric mobility is driving demand for specialised high-speed, low-friction and electrically insulated bearing solutions. However, the impact remains more pronounced within automotive-focused applications than across broader industrial markets.

Outlook



The medium-term outlook for the industrial bearings market remains positive, supported by improving demand visibility across key sectors and continued investment in industrial modernisation. Market dynamics are expected to be shaped by rising customer expectations around reliability, efficiency and lifecycle performance, alongside increasing adoption of value-added solutions and integrated services. At the same time, pricing discipline, supply chain resilience and cost management will remain important amid ongoing input cost volatility. Companies with strong engineering capabilities, customer proximity and operational flexibility are likely to be better positioned to navigate market cycles and capture emerging opportunities.

(Source:
<https://www.mordorintelligence.com/industry-reports/industrial-bearings-market>)



Indian Industrial Bearings Market

The India industrial bearings market was valued at approximately INR 66,000 Crores in 2024 and is projected to reach around INR 97,000 Crores by 2033, registering a CAGR of 4.33% during 2025-2033, according to IMARC Group.

Key Trends

1 Infrastructure-Led Demand and Rail Modernisation

Continued investments in railways, metro networks, freight corridors, mining, cement and construction are supporting demand for industrial bearings across heavy machinery, material handling systems and rail applications. Expansion in railway modernisation and freight infrastructure is also increasing demand for high-performance and reliability-focused bearing solutions.

2 Modernisation of Mining, Cement and Metals Industries

Industrial operators are investing in plant modernisation, process efficiency and equipment reliability to improve productivity and reduce downtime. This is driving demand for durable, high-load bearings designed for harsh operating environments across mining, cement and metals industries.

3 Growth in Wind Energy Capacity

India's wind energy installed capacity has increased 2.66 times since 2014, rising from 21.04 GW in March 2014 to 56.09 GW in March 2026, reflecting an addition of 35.05 GW. The expansion of wind power infrastructure is driving demand for specialised bearings designed for high loads, long lifecycle performance and harsh operating conditions.



4 Energy-Efficient and Sustainable Industrial Machinery

Industries are increasingly adopting low-friction and energy-efficient bearing solutions to improve equipment efficiency, reduce energy consumption and lower operating costs. Demand is rising for bearings capable of supporting higher operating speeds and improved machine performance.

5 Industry 4.0 and Smart Manufacturing Adoption

Increasing automation and integration of AI- and IoT-enabled manufacturing systems are driving demand for precision bearings compatible with digitally connected industrial environments. Sensor-enabled bearings capable of monitoring vibration, temperature and equipment performance are witnessing higher adoption.

6 Shift Towards Higher-Speed, Higher-Load and Compact Designs

Industrial equipment manufacturers are focusing on compact, lightweight and higher-performance machinery to improve productivity and optimise space utilisation. This is increasing demand for bearings capable of operating at higher speeds and load capacities while maintaining reliability and durability.

7 Domestic Manufacturing and Localisation

Government-led manufacturing initiatives and supply chain diversification strategies are encouraging investments in local production and application-specific engineering capabilities. Demand for locally manufactured and customised bearing solutions continues to increase across industrial sectors.

8 Commodity and Energy Cost Volatility

Volatility in steel prices, energy costs and freight rates continues to impact industry cost structures, reinforcing the need for procurement efficiency, supply chain resilience and disciplined pricing strategies.

Outlook



The medium-term outlook for the Indian industrial bearings market remains constructive, supported by improving capacity utilisation across industries, continued capital investment and increasing emphasis on reliability and lifecycle performance. Competitive dynamics are expected to be shaped by localisation strategies, technology differentiation and

growing demand for value-added solutions and services. While pricing pressures and input cost volatility may persist, companies with strong engineering capabilities, customer alignment and operational agility are likely to be better positioned to capture opportunities as the market evolves.

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



Key Downstream Industries

Manufacturing

India's manufacturing sector continued to strengthen during FY 2025-26, supported by infrastructure spending, domestic demand and policy-led industrial expansion. Manufacturing output grew 8.1% in December 2025, while industrial GVA rose 7% during H1 FY 2025-26, led by automobiles, electronics, transport equipment and engineering industries. India's manufacturing ecosystem is also steadily moving towards higher-value and technology-intensive production, with medium- and high-technology industries contributing 46.3% of manufacturing value added.

Government initiatives such as Production-Linked Incentive

(PLI) schemes, industrial corridor development and public infrastructure investments continue to support capacity creation and localisation across sectors. Public capital expenditure stood at INR 11.21 Lakh Crores in FY 2025-26, while private investment announcements rose significantly during the year, reflecting improving industrial confidence and supply chain diversification efforts.

The sector is also witnessing increasing adoption of automation, predictive maintenance, advanced machinery and digitally integrated operations to improve productivity, reliability and energy efficiency. These trends are strengthening

demand for precision bearings, industrial services, condition monitoring and engineered reliability solutions across manufacturing industries.

For Industrial Bearings and Services, expanding investments across manufacturing, metals, cement, railways, renewables and general machinery are expected to support growth in both OEM and aftermarket businesses. Rising focus on uptime, operational efficiency and localisation is also creating opportunities for value-added services, application engineering and predictive maintenance solutions.

Outlook



India's manufacturing sector is expected to maintain long-term growth momentum, supported by infrastructure development, supply chain diversification, localisation and increasing industrial automation. While global trade and commodity volatility may create short-term fluctuations, sustained industrial investments are expected to support long-term demand for industrial bearings and reliability solutions.

(Sources: <https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2226828®=3&lang=2>
<https://www.wipo.int/web-publications/global-innovation-index-2025/en/gii-2025-results.html?utm.com>
<https://www.indiabudget.gov.in/economicsurvey/doc/Infographics%20English.pdf>)



Indian Railways

Indian Railways continues to be a key driver of India's infrastructure and logistics ecosystem, supporting freight movement across coal, steel, cement, foodgrains and containers while enabling large-scale passenger mobility. Rising industrial activity, urbanisation and corridor-based development are increasing the strategic importance of rail infrastructure.

The Union Budget 2026-27 allocated a record INR 2,78,000 Crores to Indian Railways, focused on network expansion, electrification, rolling stock procurement, station redevelopment

and freight corridor development. High-speed rail projects and Dedicated Freight Corridors (DFCs) are further improving connectivity, logistics efficiency and freight capacity.

Railway modernisation is also accelerating adoption of advanced signalling systems, digital asset monitoring, energy-efficient locomotives and automated train protection technologies. Increasing localisation and domestic manufacturing of railway components are supporting India's broader industrial ecosystem.

For Industrial Bearings and Services, expanding investments in rail infrastructure, rolling stock, freight corridors and high-speed rail are supporting demand for bearings, condition monitoring, lubrication and reliability solutions across passenger, freight and metro segments. Growth in rail freight and network modernisation is also expected to strengthen aftermarket and maintenance opportunities.

Outlook



Indian Railways is expected to remain a long-term infrastructure growth driver, supported by sustained capital expenditure, freight expansion and technology-led modernisation. Continued investments in rolling stock, electrification and corridor development are expected to support steady demand for industrial bearings and railway reliability solutions.

(Source: https://prsindia.org/files/budget/budget_parliament/2026/DfG_Analysis_2026-27-Railways.pdf
<https://www.pib.gov.in/PressNoteDetails.aspx?NotelD=157295&ModuleId=3®=3&lang=1>)



Capital Goods

The capital goods sector remains a key enabler of India's industrial and infrastructure expansion, supporting manufacturing, construction, mining, energy and logistics. Rising infrastructure spending and industrial investments continue to strengthen demand for plant, machinery and engineering equipment.

Government capital expenditure has increased significantly to INR 11.21 Lakh Crores in FY 2025-26, with INR 12.2 Lakh Crores proposed for FY 2026-27. Capital goods output grew 8.1% in December 2025, while capacity utilisation improved to around 74–75%, reflecting improving industrial activity and investment momentum. Domestic production reached INR 2,05,194 Crores in FY 2024-25.

Government initiatives such as the PLI scheme, container manufacturing incentives, construction equipment schemes and investments in precision manufacturing are further supporting localisation and technology adoption across industrial sectors.

Rising investments in industrial machinery, construction equipment, automation and heavy engineering are expected to support demand for bearings, lubrication, condition monitoring and reliability solutions across OEM and aftermarket segments.

Outlook



The capital goods sector is expected to maintain healthy growth, supported by infrastructure execution, manufacturing expansion and private sector investments. Increasing automation, localisation and technology-led manufacturing are expected to create sustained demand for industrial bearings and engineering reliability solutions.

(Source: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=222521®=3&lang=1>)

Renewable Energy

Renewable energy remains central to India's energy transition and industrial decarbonisation agenda. India's renewable energy capacity increased from 76.38 GW in 2014 to 274.68 GW in March 2026, led by strong growth in solar and wind energy.

Wind energy continues to gain momentum, with India adding a record 6.05 GW of wind capacity during FY 2025-26 versus 4.15 GW in the previous year. Installed wind capacity increased to 56.09 GW in March 2026, while domestic wind turbine manufacturing capacity expanded to around 24 GW, supported by localisation initiatives and rising private-sector participation.

Government measures to accelerate project approvals, strengthen grid infrastructure and support domestic renewable manufacturing are further improving sector visibility and execution. Increasing renewable penetration is also driving investments in transmission, energy storage and grid modernisation.

For industrial bearing companies, expanding investments in wind energy, renewable infrastructure and turbine manufacturing are supporting demand for bearings, lubrication, condition monitoring and reliability solutions. Wind energy remains a key opportunity area, particularly in application-specific and high-performance industrial solutions.

Outlook



India's renewable energy sector is expected to maintain strong long-term growth, supported by rising power demand, decarbonisation targets and continued policy support. Increasing wind installations, localisation and renewable infrastructure expansion are expected to support sustained demand for industrial bearings and engineering reliability solutions.

Company Overview

SKF India (Industrial) (also referred to as 'The Company') is a technology-driven industrial solutions provider dedicated to enabling reliable rotation, operational efficiency, and lifecycle performance across critical industries.

The Company was incorporated on 17th December, 2024, as a wholly owned subsidiary of SKF India Limited for the purpose of carrying on the industrial business, as part of SKF Group's global separation of its Automotive and Industrial businesses.

The Boards of Directors of the Company and SKF India Limited, at their respective meetings held on 26th December, 2024, approved the Scheme of Arrangement between SKF India Limited ('Demerged Company') and SKF India (Industrial) Limited ('Resulting Company') and their respective shareholders and creditors ('Scheme') for the

demerger of Industrial Business (as defined in the Scheme) into the Company on a going concern basis, subject to requisite statutory and regulatory approvals under Sections 230–232 of the Companies Act, 2013.

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

The Scheme was approved by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 26th September, 2025. The Appointed Date and Effective Date of the Scheme are 1st October, 2025.

Upon the Scheme becoming effective, the Company allotted fully paid-up equity shares of INR 10/- each to the members of SKF India Limited as on the Record Date (i.e., 15th October, 2025), in accordance with the share entitlement ratio of 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each of the Resulting Company for every 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each held in the Demerged Company ('Share Entitlement Ratio'), as set out in the Scheme.

In terms of the Scheme, the Company's shares were listed on BSE Limited (Scrip Code: 544572) and the National Stock Exchange of India Limited (Symbol: SKFINDUS) on 5th December, 2025, marking its commencement as an independent listed entity positioned to pursue growth in the Industrial business segment.



Business and Solutions Portfolio

The Company's offerings comprise the following:

Bearings and Bearing Units



Seals and Lubrication Systems



Condition Monitoring Solutions



Rotating Shaft Services



Machine Health and Reliability Engineering



Re-manufacturing and Lifecycle Solutions



These solutions reduce friction, improve energy efficiency, extend asset life, and optimise total cost of ownership. Digital integration and predictive maintenance capabilities further enable customers to monitor asset health in real time and minimise unplanned downtime.

Market Presence and Manufacturing Footprint

SKF India (Industrial) serves over 40+ industrial segments through direct engagement and a network of over 120+ distributors across India. Key sectors include railways, metals, cement, mining, wind energy, general machinery, and industrial distribution.

With a dedicated industrial manufacturing footprint and ongoing capacity expansion in Pune, the Company strengthens localisation, supply resilience, and export participation.

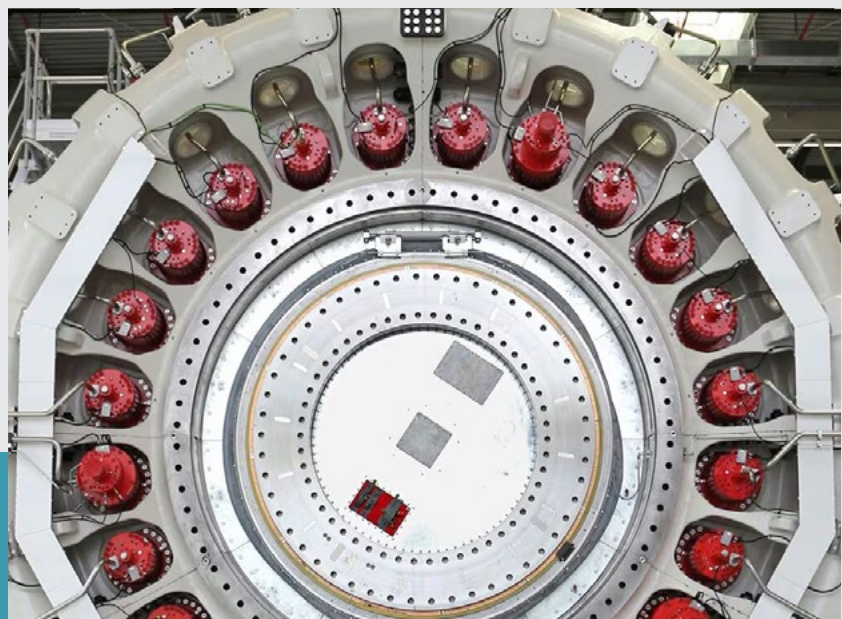
As an independent industrial specialist from October 2025 onwards, SKF India (Industrial) combines global SKF technology expertise with local execution depth to drive sustainable industrial progress and long-term value creation.

40+

Industrial Segments Served

120+

Distributors across India



Financial Performance

Revenue from operations stood at **INR 34,403.6 Million** in FY 2025-26, while total income amounted to **INR 34,994.8 Million**. Profit before exceptional items and tax was **INR 4,173.7 Million**. During the year, the Company recognised

an exceptional loss of **INR 1,961.0 Million**. Profit before tax stood at **INR 2,212.7 Million**, while profit after tax amounted to **INR 2,176.7 Million**. Other comprehensive income (net of tax) was **INR 38.1 Million**, resulting in total comprehensive income of

INR 2,214.8 Million. Basic and diluted earnings per share stood at **INR 44.0**, reflecting the Company's financial performance during the year.

Statement of Profit and Loss for the Year Ended on 31st March, 2026 (INR in Mn)

Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Revenue from Operations	34,403.6	7,206.1
Other Income	591.2	126.6
Total Income	34,994.8	7,332.7
Expenses		
Cost of Materials Consumed	5,638.4	993.2
Purchases of Stock-in-Trade	18,120.2	3,474.9
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	(514.4)	(348.3)
Employee Benefits Expense	2,152.9	454.3
Depreciation and Amortisation Expense	313.8	92.7
Finance Costs	2.1	1.4
Other Expenses	5,108.1	1,020.5
Total Expenses	30,821.1	5,688.7
Profit Before Exceptional Items and Tax	4,173.7	1,644.0
Exceptional Items	1,961.0	-
Profit Before Tax	2,212.7	1,644.0
Income Tax Expense		
Current Tax (Including Tax Relating to Earlier Years)	477.2	425.8
Deferred Tax (Credit)/Charge	(441.2)	5.1
Total Tax Expense	36.0	430.9
Profit for the Year/Period	2,176.7	1,213.1
Other Comprehensive Income (Net of Tax)		
Remeasurement of Net Defined Benefits Gain	50.9	32.4
Income Tax Charge Relating to These Items	(12.8)	(8.1)
Other Comprehensive Income for the Year/Period (Net of Tax)	38.1	24.3
Total Comprehensive Income for the Year/Period	2,214.8	1,237.4
Earnings Per Equity Share (Face Value INR 10 Each)		
Basic (INR)	44.0	24.5
Diluted (INR)	44.0	24.5



Key Financial Ratios

Ratio	2025-26	2024-25	Change (%)	Remarks for Variance >25%
Current Ratio (times)	1.7	2.6	(33.1%)	Not Applicable*
Debt-Equity Ratio (times)	0.00	0.00	100.8%	Not Applicable*
Debt Service Coverage Ratio (times)	45.1	57.0	(21.0%)	Not Applicable*
Return on Equity (%)	15.6%	9.3%	68.8%	Not Applicable*
Inventory Turnover Ratio (times)	4.5	0.8	449.4%	Not Applicable*
Trade Receivables Turnover Ratio (times)	5.1	1.4	272.7%	Not Applicable*
Trade Payables Turnover Ratio (times)	3.9	0.9	320.6%	Not Applicable*
Net Capital Turnover Ratio (times)	3.9	0.8	408.5%	Not Applicable*
Net Profit Ratio (%)	6.3%	16.8%	(62.4%)	Not Applicable*
Return on Capital Employed (%)	28.2%	12.5%	124.9%	Not Applicable*
Return on Investment (%)	18.2%	8.6%	111.8%	Not Applicable*

*The ratios are not comparable due to the Scheme of Arrangement.

Notes: As a result of the Scheme becoming effective, the assets, liabilities and retained earnings as at 31st March, 2026 reflect the impact of the Scheme and are therefore not directly comparable with those as at 31st March, 2025.



Strengths

- Trusted brand and heritage in mission-critical industrial applications**

Over a century-long global heritage and decades of presence in India position SKF as a trusted partner for industries where equipment reliability, safety and lifecycle performance are critical. Long-standing relationships with OEMs, PSUs and industrial customers reinforce confidence in SKF's solutions across railways, energy, renewables, mining and heavy industries

- Global technology and engineering backbone**

Access to SKF Group's advanced bearing technology, application

engineering, digital solutions and R&D capabilities

- Differentiated aftermarket and service portfolio**

Condition monitoring, lubrication, remanufacturing and reliability services deepen customer engagement and support recurring revenue models

- Accelerating localisation and manufacturing capability**

Investments in Pune and regional hubs enhance supply resilience, responsiveness and cost efficiency, improving customer experience



Weaknesses

- Residual dependence on imported components in select categories**

Certain high-end products and technologies remain globally sourced

- Exposure to cyclical, capex-driven sectors**

Demand linked to infrastructure, mining and metals can be sensitive to project cycles and policy execution

- Organisational transition post demerger**

Requirement to scale independent systems, governance and capabilities while maintaining continuity for customers



Opportunities

- Sustained infrastructure and industrial investment in India**
 Railways, cement, steel, mining, power and energy transition provide long term demand visibility
- Make in India momentum**
 Opportunity to expand domestic manufacturing, develop export hubs and integrate into global supply chains
- Renewable energy and energy transition**
 Growth in wind, grid infrastructure and storage applications aligns strongly with SKF's Industrial portfolio
- Expansion of service-led and solution-based offerings**
 Increasing customer focus on uptime, lifecycle cost and reliability creates higher margin growth avenues
- Digitalisation and Industry 4.0 adoption**
 Rising demand for predictive maintenance, smart bearings and connected solutions supports differentiation
- Strategic focus enabled by demerger**
 Faster decision-making and segment-focused investments support accelerated industrial growth



Threats

- Global supply chain, geopolitical and trade disruptions**
 Tariffs, logistics disruptions and geopolitical uncertainty may affect sourcing and costs
- Raw material and energy price volatility**
 Margin pressure may persist despite pricing actions
- Intensifying competition from domestic and regional players**
 Aggressive pricing and localisation by competitors in commoditised segments
- Technology substitution and commoditisation risk**
 Alternative technologies, extended equipment life or customer insourcing may affect demand
- Talent availability in specialised engineering and digital roles**
 Competition for skilled workforce may constrain scaling of advanced capabilities

Risk Management

In an increasingly complex and interconnected business environment, the Company recognises that effective risk management is essential to sustaining growth and protecting stakeholder value. The Company has adopted a structured Enterprise Risk Management (ERM) framework that enables a proactive, integrated and forward-looking approach to

identifying, assessing and mitigating risks across the organisation.

The ERM framework is embedded within the Company's strategy, operations and governance processes. Risks are systematically identified across all functional areas, including manufacturing, supply chain, technology, finance, compliance and sustainability.

These risks are evaluated based on their likelihood and potential impact, consolidated at an organisational level, and reviewed periodically by senior management. The Risk Management Committee provides oversight to ensure alignment with strategic priorities, regulatory requirements and governance standards.



Enterprise Risk Management Process

The Company follows a structured and integrated Enterprise Risk Management (ERM) process to identify, assess, monitor and mitigate risks across the organisation. This process is embedded into business operations and strategic decision-making, enabling a proactive approach to risk management.



Risk Identification and Assessment

Risk assessments are conducted across all business and functional areas. Each function identifies key risks relevant to its operations, covering strategic, operational, financial, regulatory and environmental aspects.



Risk Consolidation

Identified risks are consolidated by business and functional representatives. These risks are evaluated, prioritised and aligned based on their potential impact and likelihood. The consolidation process is facilitated by the compliance function to ensure consistency and completeness.



Management Review

The consolidated risk assessment is reviewed by the Company's management. This review ensures that key risks are understood at an organisational level and that appropriate mitigation strategies are defined and implemented.

Integration with Governance and Strategy

The ERM process is closely linked with governance structures and business planning:



Risk Management Committee

The consolidated risk assessment is presented to the Risk Management Committee for oversight, review and guidance.



Strategy Development and Execution

Risk insights from business units are integrated into strategic planning, enabling informed decision-making and effective execution.



Risk Ownership and Monitoring

Designated risk owners are responsible for implementing mitigation actions and ensuring continuous monitoring and follow-up.



External Reporting

A high-level overview of key risks and mitigation strategies is disclosed to stakeholders through the Annual Report.



Key Risks, Implications and Response

Risk	Implications	Response
Geopolitical and Supply Chain Disruptions	Shifts in global trade dynamics, tariffs and regional uncertainties may disrupt supply continuity and influence input costs.	The Company is strengthening localisation, diversifying sourcing channels, optimising inventory and enhancing digital supply chain visibility to improve responsiveness.
Information Security and Cyber Risk	Increasing reliance on digital systems heightens exposure to cybersecurity threats and evolving data protection requirements.	The Company continues to invest in robust IT security infrastructure, employee awareness programmes and enterprise-wide data governance aligned with global standards.
Climate and Environmental Risk	Climate-related challenges, water stress and regulatory tightening may impact operations and stakeholder expectations.	The Company is advancing its sustainability agenda through water stewardship initiatives, renewable energy adoption, defined decarbonisation targets and climate risk assessments.
Talent and Capability Risk	Limited availability of specialised talent in key domains may affect execution capability and organisational growth.	Focus remains on strengthening employee experience, leadership pipelines, inclusive practices and targeted talent acquisition to build future-ready capabilities.
Cost Variability	Volatility in raw material, energy and logistics costs may influence margins and operational planning.	The Company is driving cost efficiency through productivity initiatives, agile pricing approaches, process optimisation and flexible sourcing strategies.

Risk	Implications	Response
 Technology Evolution and Innovation Pace	Rapid advancements in technology and shifting customer expectations may impact competitiveness.	The Company leverages its global technology network, accelerates R&D investments and strengthens its innovation pipeline to deliver relevant, application-specific solutions.
 Digital Transformation Execution	Rising expectations for integrated digital experiences require accelerated transformation across functions.	Strategic investments in digital capabilities, simplification of IT systems and capability building in digital talent support this transition.
 Manufacturing Footprint and Localisation	Delays in capacity expansion or localisation initiatives may affect growth plans and operational efficiency.	The Company is progressing with phased capacity expansion, strengthening regional supplier ecosystems and deploying scalable manufacturing technologies to support growth.
 Currency Fluctuation	Significant share of its finished products are imported from other markets, leading to higher currency fluctuation risk.	The Company is continuously working on increasing its share on localisation and in parallel takes pricing action to offset the currency fluctuation risk.

Human Resources

Following the demerger and the transition to an independent entity, SKF India (Industrial) continues to align its organisational capability with its operating priorities. Building a diverse, equitable, and inclusive workplace remains integral to this approach, with a focus on attracting, developing, and retaining high-quality talent capable of driving sustainable business growth with a progressive focus on diversity.

To provide structure to this focus, the Company operates under a defined 'People Strategy' anchored on three core pillars:

1  Capability Depth	2  Commercial Excellence	3  Future-ready Workforce
--	---	--

As of March 2026, the Company's workforce composition reflects continued progress in diversity, with women representing 26% of the total workforce.





Culture and Leadership

The focus of this pillar is to strengthen leadership behaviour, embed inclusion, and build a safe and accountable workplace.

During the year, the Company undertook a **comprehensive Diversity, Equity and Inclusion diagnostic and maturity assessment**, enabling a data-led evaluation of existing practices and identification of priority areas. This has resulted in a defined roadmap covering inclusive hiring, equitable development, and support systems for underrepresented talent.

Gender inclusion remained a key focus area, particularly within manufacturing roles. Interventions during the year included:

Development of psychologically safe work environments

Infrastructure support such as childcare facilities at key locations

Structured mentorship and advocacy platforms

Targeted programmes were expanded to strengthen representation and leadership participation:



Parivartan

Enabling women's participation in shopfloor roles through training and mentorship.



SHE LEADS

Supporting high-potential women through coaching, leadership exposure, and career navigation.

In addition, the Women's Network, an employee-led ERG, continued to drive engagement and inclusion through:

Mentorship and career development initiatives

Networking platforms and leadership interactions

Policy awareness, financial literacy, and wellbeing programmes

Leadership capability was further strengthened through structured interventions:

Manage Lead Coach

A leadership development programme for managers that uses the SKF Leadership Model to build stakeholder influence, self-awareness, and practical skills in managing, leading, and coaching. It aims to drive change, overcome resistance, and support lasting leadership behaviours through real business experience and structured learning.

SKF Leadership Foundation

The SKF Leadership Foundation is a leadership development programme designed to strengthen leadership across three core behaviours: Develop Self, Develop Others, and Develop Business. The programme equips leaders with essential skills such as self awareness, empathy, vision, delegation, change management, and business acumen. By fostering these capabilities, the initiative builds a strong pipeline of leaders prepared to drive sustainable growth and transformation.

Power the Future

Designed to build self-awareness, self-leadership, and the ability to manage complexity.

These initiatives collectively ensure leadership development remains aligned with business priorities and organisational expectations.



This pillar focuses on building capability depth, strengthening leadership pipelines, and preparing the workforce for future requirements.

Capability building was also extended across technical and commercial domains, aligned to the Company's industrial priorities such as application engineering, reliability, automation, and digital enablement.

A key area of focus during the year was **digital capability development**. The Company:

Developed a network of **32 AI ambassadors**

Delivered **40+ hours** of upskilling Journey of the Ambassadors

Conducted **18 knowledge sessions** delivered by ambassadors

Expanded reach through an AI Learning Fest across **7 Locations in India**, engaging **600+ employees**

This initiative strengthened awareness and adoption of AI-led practices across the organisation.

Commercial capability was enhanced through the **Certified Sales Professional Journey**, which established a standardised sales methodology supported by structured coaching and application-based learning.

Key outcomes included:

191

Participants Trained across 9 Countries
(78 participants from India)

30+

Training Hours per Participant

86%

Toolkit Application Success

90%

Coaching Participation
Manager Engagement

94

Employee Net Promoter Score (eNPS)

These interventions ensure capability development is directly linked to execution effectiveness and business outcomes.





Employee Experience

This pillar focuses on ensuring consistency and stability across the employee lifecycle through a structured alignment of people processes that maintain clarity in role expectations, consistency in talent management practices and stability across operations. To operationalise this approach, the Company maintains an integrated HR framework covering the following:

Job design and workforce planning

Recruitment and onboarding

Learning and development

Compensation and benefits

Performance management

Labour and industrial relations

The talent acquisition approach emphasises long-term potential, diversity, and alignment with organisational values. This is supported through:

Structure hiring process building excellence.

Streamlined recruitment cycles

Holistic feedback

During the year, hiring effectiveness remained strong, with:

31%

New Hires being Women

76%

Participation in Post-Joining Feedback

4.8/5

Average Satisfaction Score from New Joiners

Note: The percentages pertain to white-collar hiring.

The year saw focus on building diversity representation in the senior leadership levels. The Company also continued to build its early talent pipeline through structured campus hiring programmes, including management trainee and internship initiatives.

EDGE: New Manager Assimilation Journeys, providing a consistent employee experience, bringing to life, Single ISEAM.

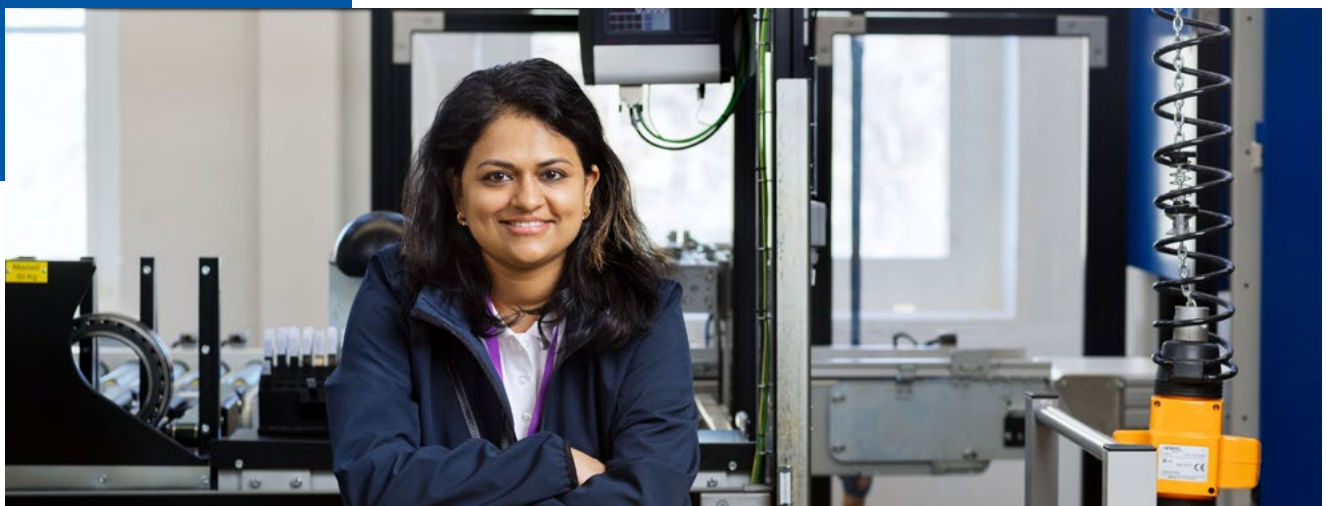
The **EDGE programme** is a structured journey that supports new and transitioning leaders and managers. Its purpose is to help managers become productive faster

while building strong, engaged teams. Through onboarding, coaching, and learning, EDGE provides clarity, consistency, and cultural alignment at a critical stage of leadership.

ISEAM Talent Council: A consistent, region-wide approach to talent and succession by strengthening leadership pipelines, and guiding strategic capability development to meet future business needs.

A Listening Organization: SKF deploys a Continuous Listening Mechanism through short quarterly employee engagement surveys. It provides managers with clear insights into **workforce sentiment**, helping improve retention, satisfaction, and overall performance.

**RECOGNISED
AS ONE OF THE
MOST PREFERRED
PLACES TO
WORK BY TEAMS
MARKSMEN,
AN INDUSTRY-
RECOGNISED MEDIA
BODY FOR FY
2025-26.**



IT and Digital Infrastructure

Digital systems support SKF India (Industrial)'s manufacturing operations, supply chain coordination, and customer service delivery. Given the diversity of industrial applications, system integration and real-time data visibility are critical to maintaining process control, consistency, and responsiveness.

The Company is transitioning to SAP S/4HANA to establish a unified ERP backbone integrating manufacturing, supply chain, finance, and commercial functions. This enables standardised workflows, improved data integrity, and real-time reporting, reducing redundancies and strengthening cross-functional decision-making in the post-demerger structure.

Digitalisation is embedded within operations through connected manufacturing systems. IoT-enabled machines, MES platforms, digital twins, and AI-enabled inspection tools provide real-time visibility into production performance, improving planning accuracy, quality control, and responsiveness.

Asset reliability is strengthened through condition monitoring systems, CMMS platforms such as eMaint, and energy management systems, enabling predictive maintenance, improved equipment availability, and reduced unplanned downtime.

Supply chain operations are supported by warehouse and transport management systems, digital procurement tools, and visibility platforms, improving traceability, forecasting reliability, and inventory optimisation while reducing single-source dependency risks.

Real-time monitoring, predictive analytics, and automated control systems enhance process discipline across manufacturing, maintenance, and supply chain functions, creating an integrated, data-driven operational ecosystem.

To strengthen internal capability, SKF Group has established a Global Competency Centre (GCC) in India, supporting development of tailored IT solutions, strengthening

cybersecurity resilience, and enhancing enterprise systems capability across the organisation.

Customer-facing digital solutions remain a key differentiator. Tools such as Bearing Select enable application-specific product selection, while Microlog and IMx systems support real-time diagnostics and predictive maintenance, helping customers reduce downtime and optimise asset performance.

The Company is advancing AI-enabled analytics and reliability engineering tools to deliver insights into asset health, remaining useful life, and operational performance, supporting a shift towards solutions-led and outcome-based services.

In parallel, internal innovation platforms and collaborations with startups and academic institutions support the development and adoption of emerging digital technologies.



Disclosure of Accounting Treatment

The financial statements of SKF India (Industrial) Limited have been prepared in accordance with the applicable Accounting Standards prescribed under the Companies Act, 2013 and the relevant rules framed thereunder.

Wherever, in the preparation of the financial statements, any accounting treatment differs from that prescribed under an Accounting Standard, the Company discloses such deviation, if any, along with management's explanation as to why the alternative treatment is considered more representative of the true and fair view of the underlying business transaction.

For the financial year ended 31st March, 2026, there were no departures from the prescribed Accounting Standards.

Internal Control Systems and Their Adequacy

The Company has established policies, procedures, and internal control systems commensurate with the size and nature of its operations. These systems are designed to ensure orderly conduct of business, safeguarding of assets, prevention and detection of fraud and errors, accuracy of accounting records and timely preparation of reliable financial information.

A structured three-line defence framework is in place, comprising operational management, the Internal Control function and Internal Audit. This framework ensures process-level accountability, independent oversight and periodic evaluation of control effectiveness. Additionally, continuous monitoring mechanisms support early identification of control gaps.

As part of the global SKF Group, the Company adheres to



SKF Internal Control Standards (SICS), a harmonised framework governing key business processes. Standard operating procedures are aligned with SICS requirements, with emphasis on control discipline and minimising deviations and ensuring process discipline. Furthermore, control adequacy is periodically tested by the Internal Control team.

The Internal Audit function, supported by specialised external firms, conducts risk-based audits during the year. Audit observations and improvement areas are reviewed with management, and mitigation plans are implemented within defined timelines. The Audit Committee regularly reviews significant findings, management responses and the status of corrective actions.

The Audit Committee also reviews reports from statutory auditors and meets them periodically to assess the adequacy of internal control systems. Based on evaluation as of 31st March, 2026, Internal Financial Controls were assessed as adequate and operating effectively.

The Company complies with the requirements of Section 134(5)(e) of the Companies Act, 2013, relating to the establishment and maintenance of an effective internal financial

control framework in support of the Directors' Responsibility Statement.

Cautionary Statement

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations, or predictions may constitute 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 may differ materially from those expressed or implied, as the Company's operations are influenced by various external and internal factors beyond its control, including economic conditions, regulatory developments, market demand, competitive intensity, supply chain disruptions, and other risks.

The Company does not undertake any obligation to publicly amend, modify, or revise forward-looking statements based on subsequent developments, information, or events. Readers are advised to exercise independent judgment in assessing the risks associated with the Company and to consider that the risk factors discussed may not be exhaustive.

Annexure – B

Corporate Governance Report 2025-26

1. Background and Corporate History

Your Company was incorporated on 17th December, 2024, as a wholly owned subsidiary of SKF India Limited for the purpose of carrying on the Industrial business, as part of SKF Group’s global separation of its Automotive and Industrial businesses.

The demerger was undertaken as part of a strategic reorganisation by the SKF Group to realign its India operations into two focused and independently governed businesses i.e., Automotive and Industrial. This decision was driven by the recognition that the two segments operate in distinct market ecosystems, cater to different customer bases, and are influenced by divergent growth drivers, capital requirements, and competitive dynamics.

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

The Scheme received the requisite approvals from shareholders, creditors, stock exchanges, and regulatory authorities and was subsequently sanctioned by the Hon’ble National Company Law Tribunal (‘NCLT’) on 26th September, 2025. The Appointed Date and Effective Date of the Scheme is 1st October, 2025.

Upon the Scheme becoming effective, on 17th October, 2025, Company allotted 49,437,963 fully paid-up equity shares of INR 10/- each to the members of SKF India Limited as on the Record Date (i.e 15th October, 2025), in accordance with the share entitlement ratio of 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each of the Resulting Company for

every 1 (One) fully paid-up equity share of INR 10/- (Indian Rupees Ten only) each held in the Demerged Company (‘Share Entitlement Ratio’), as set out in Scheme. The entire pre-Scheme share capital of MINR 0.1 of the Company held by SKF India Limited was cancelled pursuant to the Scheme. The Company ceased to be SKF India Limited’s wholly owned subsidiary.

In terms of the Scheme, Company’s shares were listed on BSE Limited (Scrip Code: 544572) and the National Stock Exchange of India Limited (Symbol: SKFINDUS) on 5th December, 2025, marking its commencement as an independent listed entity positioned to pursue growth in the Industrial business segment.

The Company has put in place the requisite governance framework, policies, committees of the Board, and reporting mechanisms to ensure compliance with the applicable listing and corporate governance requirements. For the financial year 2025–26, such compliances have been made from the date of listing to the extent applicable.

2. A brief statement on listed entity’s philosophy on code of governance.

SKF India (Industrial) Limited (‘SKF Industrial’ 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 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....

Collaboration: the essence of effective and human teamwork - a bond that enables the SKF Community, no matter where we come from, to achieve progress together. re-imagine	Curiosity: is the entrepreneurial spirit that keeps us open-minded, asking questions and making us eager to learn. It is vital to re-imagine rotation and create intelligent and clean solutions the world needs. and we can re-imagine rotation for the world...
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Corporate Governance Report 2025-26 (contd.)

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 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**).

Your Company believes in governance that supports not only the Company but also the value of the shareholders and Company's stakeholders. The path we have set out is holistic and based on practices which helps achieve the Company's goals in an ethical, compliant, and professional manner.

Your Company remains committed to maintaining and continually enhancing the highest standards of corporate governance, with the ultimate goal of creating sustainable value for shareholders while fostering trust, fairness, and integrity across all businesses of the organisation.

2.1 Group Structure:

SKF India (Industrial) Limited is an affiliate of the Sweden-based SKF Group, which was founded in 1907. SKF presently serves nearly all industries, including heavy industries, metals & mining, aerospace, railways, renewable energy, medical, food & beverage and more.

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.

2.2 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 Industrial's governance structure comprises the Board of Directors, Committees of the Board and the Management.

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

2.3 Governance Policies:

SKF Industrial 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.

Policies adopted by the Company are as under:

- Code of Conduct for Prevention of Insider Trading as per Regulation 9
- Prohibition of Insider Trading Code as per Regulation 9A
- Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information
- Code of Conduct for employees
- Code of Conduct for Directors and Senior Management
- Vigil Mechanism Policy
- Archival Policy
- Policy for Determination of Materiality of events for Stock Exchange
- Policy on Familiarisation Program for Independent Directors
- Policy on Related Party Transactions

Corporate Governance Report 2025-26 (contd.)

- Corporate Social Responsibility Policy
- Dividend Distribution Policy
- Risk Management Policy
- Policy for Prevention of Sexual Harassment (POSH) at Workplace
- SKF Quality Policy
- SKF Environment, Energy, Health and Safety Policy
- SKF Conflict Minerals Policy
- Appointment and Remuneration Policy for Directors, KMP's and Senior Management

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

2.4 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.

3. Board of Directors:

SKF Industrial 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.

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.

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

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.

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. As on the date of this report 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

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.

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.

In line with the requirements of the SEBI LODR, all necessary information is regularly placed before the Board of Directors. This ensures that the Board remains well-informed and actively engaged in overseeing the Company's operations, strategy, and compliance.

Additionally, on a quarterly basis, the Board reviews the compliance declaration made by the Managing Director, which is based on internal confirmations received from various business units and functional heads. This declaration affirms that the Company has complied with all applicable laws and regulations, reinforcing the Company's strong culture of accountability and ethical governance.

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

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

Corporate Governance Report 2025-26 (contd.)

A. Resignations:

- **Mr. Shailesh Sharma (DIN: 09493881)** resigned from the position of Non-Executive Non-Independent Director and from the Board of SKF India (Industrial) Limited w.e.f. 30th September, 2025 due to restructuring in the management pursuant to demerger of the Company
- **Mr. Dinesh Verma (DIN: 09771230)** resigned from the position of Non-Executive Non-Independent Director and from the Board of SKF India (Industrial) Limited w.e.f. 30th September, 2025 due to restructuring in the management pursuant to demerger of the Company

B. Appointments:

- **Mr. Gopal Subramanyam (DIN: 06684319)** was appointed as Independent Directors of the Company for a period of 2 (two) years w.e.f. 1st October, 2025 by the Board of Directors. His appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.
He fulfils 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 is not debarred 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. Anu Arun Wakhlu (DIN: 00122052)** was appointed as Independent Directors of the Company for a period of 2 (two) years w.e.f. 1st October, 2025 by the Board of Directors. Her appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.
She fulfils 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 is not debarred 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. Mukund Vasudevan (DIN: 05146681)** was appointed as a Director of the Company

w.e.f. 17th December, 2024 and was subsequently appointed as the Managing Director of the Company, not liable to retire by rotation, for a period of 5 (five) years w.e.f. 1st October, 2025, by the Board of Directors. His appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.

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

- **Mr. Sujeeth Pai (DIN: 07763929)** was appointed as Whole-Time Director, who shall be liable to retire by rotation, for a period of five (5) years w.e.f. 1st October, 2025, by Board of Directors. His appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.
He is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.
- **Mr. Karl Robin Joakim Landholm (DIN: 09651911)**, was appointed as Non-Executive Non-Independent Director, who shall be liable to retire by rotation, w.e.f. 1st October, 2025, by Board of Directors. His appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.
He is not debarred or disqualified from holding the office of Director by virtue of any order issued by SEBI or any other such authority(ies). Further, he is not related to any of the Directors or Key Managerial Personnel or Promoters of the Company.
- **Mr. Ajay Naik (DIN: 07127264)** was appointed as Non-Executive Non-Independent Director, who shall be liable to retire by rotation, w.e.f. 1st October, 2025, by Board of Directors. His appointment was further approved by the shareholders at the Extra Ordinary General Meeting held on 15th October, 2025, within the prescribed timeline.

Corporate Governance Report 2025-26 (contd.)

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.

C. Retire by Rotation

Mr. Sujeeth Pai (DIN: 07763929) is liable to retire by rotation this year and is proposed to be reappointed by shareholders at the ensuing 2nd Annual General Meeting ("2nd AGM")

A brief profile of Mr. Pai seeking reappointment as Director at the Annual General Meeting is provided in the Notice of the Annual General Meeting forming part of this Annual Report.

3.3 Board Meetings:

The Board met 5 times during the year FY 2025-26 on the following dates: 15th May, 2025, 25th August,

2025, 30th September, 2025, 17th October, 2025, and 3rd February, 2026. The intervening period between the two meetings was within the maximum time gap of 120 days as prescribed under the applicable law.

Pursuant to Clause VII of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of SEBI (Listing Obligations and Disclosure) Regulations, 2015. For the year, the Independent Directors of the Company met separately on 16th March, 2026, 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.

Both the Independent Directors attended the meeting.

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

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

Mr. Gopal Subramanyam Non-Executive, Independent Director, Chairperson		2	Mr. Dinesh Verma Non-Executive, Non-Independent Director		2
Ms. Anu Arun Wakhlu Non-Executive, Independent Director		2	Mr. Mukund Vasudevan Managing Director		5
Mr. Ajay Naik Non-Executive, Non-Independent Director		1	Mr. Shailesh Sharma Non-Executive, Non-Independent Director		3
Mr. Kari Robin Joakim Landholm Non-Executive, Non-Independent Director		2	Mr. Sujeeth Pai Whole-Time Director		2

Corporate Governance Report 2025-26 (contd.)

Name of the Director, DIN and Designation	No. of Board Meetings held and attended during FY 2025-26					Attendance at the last Annual General Meeting - 19 th September, 2025
	15 th May, 2025	25 th August, 2025	30 th September, 2025	17 th October, 2025	3 rd February, 2026	
Mr. Gopal Subramanyam DIN: 06684319 Non-Executive, Independent Director, Chairperson (*w.e.f. 1 st October, 2025)	NA	NA	NA	Present	Present	NA
Ms. Anu Arun Wakhlu DIN: 00122052 Non-Executive, Independent Director (*w.e.f. 1 st October, 2025)	NA	NA	NA	Present	Present	NA
Mr. Ajay Naik DIN: 07127264 Non-Executive, Non-Independent Director (*w.e.f. 1 st October, 2025)	NA	NA	NA	Absent	Present	NA
Mr. Dinesh Verma DIN: 09771230 Non-Executive, Non-Independent Director (**till 30 th September, 2025)	Present	Present	Absent	NA	NA	Present
Mr. Karl Robin Joakim Landholm DIN: 09651911 Non-Executive, Non-Independent Director (*w.e.f. 1 st October, 2025)	NA	NA	NA	Present	Present	NA
Mr. Mukund Vasudevan DIN: 05146681 Managing Director (**w.e.f. 1 st October, 2025)	Present	Present	Present	Present	Present	Present
Mr. Shailesh Sharma DIN: 09493881 Non-Executive, Non-Independent Director (**till 30 th September, 2025)	Present	Present	Present	NA	NA	Absent
Mr. Sujeeth Pai DIN: 07763929 Whole-Time Director (*w.e.f. 1 st October, 2025)	NA	NA	NA	Present	Present	NA

*Mr. Gopal Subramanyam was appointed as a Non Executive, Independent Director and Chairperson of the Company. Ms. Anu Arun Wakhlu was appointed as a Non Executive, Independent Director. Mr. Ajay Naik and Mr. Karl Robin Joakim Landholm were appointed as Non Executive, Non Independent Directors. Mr. Sujeeth Pai was appointed as a Whole Time Director. All these appointments were effective from 1st October, 2025.

**Mr. Mukund Vasudevan was appointed as Non-Executive Non-Independent Director of the Company w.e.f. 17th December, 2024 and was later appointed as Managing Director of the Company w.e.f. 1st October, 2025.

***Mr. Shailesh Sharma and Mr. Dinesh Verma resigned as Non-Executive Non-Independent Director of the Company w.e.f. 30th September, 2025.

Corporate Governance Report 2025-26 (contd.)

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

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

Name of Director	Directorship in other companies (other than SKF Industrial)	Directorship in other listed entities (Name of the Company and Category of Directorship)	No. of committees in which Chairperson/Member (other than SKF Industrial)	
			Member	Chairperson
Mr. Gopal Subramanyam (w.e.f. 1 st October, 2025)	2	SKF India Limited - Non-Executive, Independent Director and Chairperson	1	1
Ms. Anu Arun Wakhlu (w.e.f. 1 st October, 2025)	3	- SKF India Limited - Non-Executive, Independent Director and - Sudarshan Chemical Industries Limited – Non Executive, Independent Director - Sudarshan Colorants India Limited – Non Executive, Independent Director	1	1
Mr. Ajay Naik (w.e.f. 1 st October, 2025)	-	-	-	-
Mr. Dinesh Verma (till 30 th September, 2025)	-	-	-	-
Mr. Karl Robin Joakim Landholm (w.e.f. 1 st October, 2025) [#]	-	-	-	-
Mr. Mukund Vasudevan (w.e.f., 1 st October, 2025) ^{##}	-	-	1	-
Mr. Shailesh Sharma (till 30 th September, 2025) ^{###}	-	-	-	-
Mr. Sujeeth Pai (w.e.f. 1 st October, 2025)	-	-	-	-

[#]Mr. Karl Robin Joakim Landholm was on the Board of SKF India Limited until 12th January, 2026 as Non-Executive, Non-Independent Director.

^{##}Mr. Mukund Vasudevan was on the Board of SKF India Limited as Managing Director until 30th September, 2025. Thereafter, his position was redesignated to Non Executive, Non Independent Director. He resigned from the Board of SKF India Limited w.e.f. 12th January, 2026.

^{###}Mr. Shailesh Sharma was on the Board of SKF India Limited as Whole-Time Director until 30th September, 2025 Thereafter, his position was redesignated to Managing Director.

Notes:

- 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.
- None of the Directors have received any loans and advances from the Company.
- 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.
- None of the directors are related to each other.
- None of the Directors hold Directorship in any Listed Company except Ms. Anu Arun Wakhlu who is Independent Director in 3 Listed Companies and Mr. Gopal Subramanyam who is Independent Director in a 1 Listed Company as on 31st March, 2026.

Corporate Governance Report 2025-26 (contd.)

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

3.6 Web link where details of familiarisation programmes imparted to independent directors are disclosed:

The Company familiarises its Independent Directors pursuant to the requirements of the LODR with their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and business model of the Company etc. The details of the familiarisation programme imparted to the Independent Directors of the Company during FY 2025-26 are available on the website of the Company, link of the same is mentioned below –

https://cdn.skfmediahub.skf.com/api/public/098d1d3ec3251342/pdf_preview_medium/Familiarisation_Programme_of_Independent_Directors_2025-26_pdf_preview_medium.pdf

The familiarisation code of the Company is disclosed on the website, link of the same is mentioned below:

https://cdn.skfmediahub.skf.com/api/public/099271f662359844/pdf_preview_medium/Familiarisation_Code_pdf_preview_medium.pdf

3.7 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 Industrial 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 FY 2025-26 for Directors as on 31st March, 2026 are as follows:

S. No.	Directors	Skills/Competency/Expertise
1.	Mr. Gopal Subramanyam Non-Executive, Independent Director, Chairperson (w.e.f. 1 st October, 2025)	
2.	Ms. Anu Arun Wakhlu Non-Executive, Independent Director (w.e.f. 1 st October, 2025)	
3.	Mr. Ajay Naik Non-Executive, Non-Independent Director (w.e.f. 1 st October, 2025)	

S. No.	Directors	Skills/Competency/Expertise
4.	Mr. Karl Robin Joakim Landholm Non-Executive, Non-Independent Director (w.e.f. 1 st October, 2025)	
5.	Mr. Mukund Vasudevan Managing Director (w.e.f. 1 st October, 2025 as MD)	
6.	Mr. Sujeeth Pai Whole – Time Director (w.e.f. 1 st October, 2025)	

3.8 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 the financial year 2025–26.

3.9 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 w.e.f. 1st October, 2025 with specific terms of reference and scope.

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders' Relationship Committee
- Risk Management Committee and
- 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.

4. Audit Committee:

4.1 Composition, Name of Members, and Chairperson:

The Audit Committee ("AC") of the Company is constituted w.e.f. 1st October, 2025 in compliance with the provisions of Regulation 18 of the SEBI LODR and the provisions of Section 177 of the Companies Act, 2013. All members of the Committee are financially literate, having the relevant accounting and financial management expertise.

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

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

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	Chairperson
2.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member
3.	Mr. Ajay Naik	Non-Executive, Non-Independent Director	Member

Corporate Governance Report 2025-26 (contd.)

The Managing Director, the Chief Financial Officer, the Statutory Auditor and the Internal Audit team are the 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, Since the Audit Committee was constituted w.e.f. 1st October, 2025, the requirement of Chairperson of the Audit Committee being present to answer shareholder queries at the 1st AGM of the Company held on 19th September, 2025 was not applicable.

4.2 Meetings and Attendance during the year:

Since the Committee is constituted w.e.f. 1st October, 2025, it met once during the financial year 2025-26. The meeting was held on 3rd February, 2026.

The provisions relating to the gap between two consecutive meetings, as prescribed under Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, were not applicable to the Company for the relevant period, as the shares of the Company were listed on the recognised stock exchanges only w.e.f. 5th December, 2025.

Ms. Anu Arun Wakhlu

Non-Executive,
Independent Director,
Chairperson



Mr. Gopal Subramanyam

Non-Executive,
Independent Director,
Member



Mr. Ajay Naik

Non-Executive,
Non-Independent
Director, Member



4.3 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 them, 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.

Corporate Governance Report 2025-26 (contd.)

- 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 utilisation 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:
 - i) Management discussion and analysis of financial conditions and results of operations;
 - ii) Management letters/letters of internal control weaknesses issued by the statutory auditors;
 - iii) internal audit reports relating to internal control weaknesses; and
 - iv) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- w) To do all such acts, deeds and things as may be required to give effect to the above mentioned role of the Committee.

5. Nomination and Remuneration Committee:

5.1 **Composition, Name of Members, and Chairperson:**

The Nomination and Remuneration Committee (NRC) is constituted w.e.f. 1st October, 2025 and functions according to its Charter laid down in Section 178 of the Companies Act, 2013 and the Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which defines the composition of the committee, authority, duties and responsibilities and the reporting functions.

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

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	Chairperson
2.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member
3.	Mr. Karl Robin Joakim Landholm	Non-Executive, Non-Independent Director	Member

Corporate Governance Report 2025-26 (contd.)

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

Since the Nomination and Remuneration Committee was constituted w.e.f. 1st October, 2025, the requirement of Chairperson of the Nomination and Remuneration Committee being present to answer shareholder queries at the 1st AGM of the Company held on 19th September, 2025 was not applicable.

5.2 Meeting and Attendance during the year:

The Committee met 2 (Two) times during the year financial year 2025-26. The meetings were held on 28th January, 2026 and 17th March, 2026 with the requisite quorum present in the meeting.

Ms. Anu Arun Wakhlu

Non-Executive,
Independent Director,
Chairperson



Mr. Gopal Subramanyam

Non-Executive,
Independent Director,
Member



Mr. Kari Robin Joakim Landholm

Non-Executive,
Non-Independent
Director, Member



5.3 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.

5.4 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.
- c) 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:
 - i) use the services of an external agencies, if required;
 - ii) consider candidates from a wide range of backgrounds, having due regard to diversity; and
 - iii) consider the time commitments of the candidates
- d) Devise a policy on Board diversity of Board of Directors.

Corporate Governance Report 2025-26 (contd.)

- e) formulation of criteria for evaluation of the performance of independent directors and the board of directors;
- f) 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.
- g) Evaluating Executive Director performance, determine and approve the compensation based on evaluation including annual increment and incentive remuneration after reviewing performance.
- h) 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.
- i) recommend to the board, all remuneration, in whatever form, payable to senior management and term of reference mentioned in the Company's Policy.
- j) To do all such acts, deeds and things as may be required to give effect to the above mentioned role of the Committee.

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 People Experience Head (if required) participate as invitees and the Company Secretary acts as the Secretary of the Committee.

5.5 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://cdn.skfmediahub.skf.com/api/public/091b5affae360742/pdf_preview_medium/Policy_for_appointment_and_remuneration_for_Directors_pdf_preview_medium.pdf

Other Employees

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

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

Corporate Governance Report 2025-26 (contd.)

- Details of remuneration to Mr. Mukund Vasudevan, Managing Director and Mr. Sujeeth Pai, Whole-Time Director for the year under review are as under:

Amount in INR

Description	Mr. Mukund Vasudevan (w.e.f. 1 st October, 2025)	Mr. Sujeeth Pai (w.e.f. 1 st October, 2025)
Salary	34,552,568	16,510,536
Perquisites	19,800	16,200
Deferred Benefits (PF and Superannuation)	4,275,721	2,043,102
Stock Award*	-	4,705,872
Performance Linked Incentives	9,256,467	21,55,411
Total	48,104,556	25,431,121

*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.

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

Name of the Director	Sitting Fees (INR)	Commission	Total (INR)
Mr. Gopal Subramanyam (w.e.f., 1 st October, 2025)	375,000	2,833,724	3,208,724
Ms. Anu Arun Wakhlu (w.e.f. 1 st October, 2025)	375,000	2,409,081	2,784,081

Note:

- Commission payable subject to approval of annual accounts by the Shareholders at the 2nd Annual General Meeting to be held on 13th August, 2026.
- Mr. Ajay Naik and Mr. Karl Robin Joakim Landholm were not entitled to any sitting fees or commissions during the financial year 2025-26.
- Sitting fees and commission are paid to the above Non-Executive Directors w.e.f. their date of appointment, i.e., 1st October, 2025

6. Stakeholders' Relationship Committee

6.1 Composition, Name of Members, and Chairperson:

The Stakeholders' Relationship Committee (SRC) has been constituted w.e.f. 1st October, 2025 by the Board in compliance of Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI LODR.

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

Sr. No.	Name of Member	Designation	Position held in the Committee
1.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Chairperson
2.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	Member
3.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member

Corporate Governance Report 2025-26 (contd.)

Since the Stakeholders' Relationship Committee was constituted w.e.f. 1st October, 2025, the requirement of Chairperson of the Stakeholders' Relationship Committee being present to answer shareholder queries at the 1st AGM of the Company held on 19th September, 2025 was not applicable.

6.2 Meeting and Attendance during the year:

The Committee met once during the year financial year 2025-26. The meeting was held on 17th March, 2026 with the requisite quorum present at the meeting.

Mr. Gopal Subramanyam

Non-Executive,
Independent Director,
Chairperson



Ms. Anu Arun Wakhlu

Non-Executive,
Independent Director,
Member



Mr. Mukund Vasudevan

Executive Director
(Managing Director),
Member



6.3 Name and designation of the compliance officer:

Name: *Ms. Poorva Bang	Title: Company Secretary & Compliance Officer
Phone: (+91) 020 66112501	Fax: (+91) (20) 6611 2396
Email: industrialIndia@SKF.com	Address: Chinchwad Gaon, Chinchwad, Pune 411033, Maharashtra, India

*Mr. Ranjan Kumar was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 1st October, 2025 and resigned from the said position w.e.f. 31st January, 2026.

Ms. Poorva Bang was appointed as the Company Secretary and Compliance Officer of the Company w.e.f. 3rd February, 2026.

During the financial year, M/s MUFG Intime India Private Limited (formerly known as M/s Link Intime India Private Limited) was appointed as Registrar and Share Transfer Agent of the Company w.e.f. 1st October, 2025. 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

6.4 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:-

- 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.
- 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.
- Review of measures taken for effective exercise of voting rights by shareholders.
- 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.
- The Committee undertook an annual performance evaluation of its own effectiveness.
- To approve transfer/transmission of shares, issue of duplicate shares.
- To review the queries received from investors
- To review the work done by the share transfer agent.
- To review corporate actions related to shareholder issues, if any.
- To review the adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent.
- To ensure the timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

Corporate Governance Report 2025-26 (contd.)

- l) Carry out any other function contained in the equity listing agreement as and when amended from time to time.
- m) To do all such acts, deeds and things as may be required to give effect to the above mentioned role of the Committee.

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.

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)	0	0	0
c	Issue of new drafts against unencashed drafts/recovery drafts	1	1	0
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	0	0	0
g	Miscellaneous	6	6	0
2.	Annual Report	0	0	0
3.	Bonus Issue	0	0	0
4.	Change in name/status	0	0	0
5.	Communication received through SEBI and other statutory/regulatory bodies	7	4	3
6.	Conversion/demerger – scheme of arrangement/exchange/merger – amalgamation of companies/sub-division	0	0	0
7.	Demat/Rematerialisation of Shares	3	3	0
8.	Document Registration	1	1	0
9.	Legal matters	0	0	0
10.	Loss of securities	2	2	0
11.	Nomination	0	0	0
12.	Tax Exemption	0	0	0
13.	Transfer of Securities	0	0	0
14.	Transmission of Securities	3	1	0
15.	Other queries	92	72	20
	Total	115	90	23
	Request For			
1.	Change of address	7	6	1
2.	Change in Bank details	0	0	0
3.	Registration Of KYC Details	38	36	2
4.	Nomination	7	6	1
5.	Pan updation	0	0	0
	Total	52	48	4
	Grand Total	167	138	31

- Other queries in serial no 15 above mainly includes inquiries relating to, beneficiary details for securities held in electronic form, signature case, incomplete/incorrect details, mailing of certificates, split/consolidation/renewal queries/Claim of securities from Suspense Escrow Demat Account (SEDA)/Procedure for claiming the securities from IEPF account.

Corporate Governance Report 2025-26 (contd.)

167 correspondences were received by the Company, out of which **138** correspondences were replied to the satisfaction of shareholders during the year under review. Of the balance 29 Outstanding correspondences as on 31st March, 2026 including 3 complaints received through Regulatory Bodies, **15** have been attended by 9th April, 2026 and balance 11 received in the last week of March are pending for action.

For the 3 complaints received through Regulatory Bodies, ATRs have been uploaded prior to 31st March, 2026 and the same are pending for review and closure by SEBI.

The Committee expresses satisfaction with the Company's performance in dealing with the shareholders' grievances an its share transfer system.

7. Risk Management Committee:

7.1 Composition, Name of Members and Chairperson:

The Risk Management Committee (RMC) has been constituted by Board w.e.f. 1st October, 2025 in compliance Regulation 21 of the SEBI LODR.

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

S. No.	Name of the Director	Designation of Director	Position held in the Committee
1.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Chairperson
2.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	Member
3.	Mr. Mukund Vasudevan	Executive Director (Managing Director)	Member
4.	Mr. Sujeeth Pai	Executive Director (Whole-time Director)	Member
5.	Mr. Ashish Saraf	Chief Financial Officer	Member

All the recommendations of the Risk Management Committee have been accepted by the Board of Directors.

Since the Risk Management Committee was constituted w.e.f. 1st October, 2025, the requirement of Chairperson of the Risk Management Committee being present to answer shareholder queries at the 1st AGM of the Company held on 19th September, 2025 was not applicable.

7.2 Meetings and attendance during the year:

The Committee met once in the Financial Year 2025-26. The meeting was held on 17th March, 2026.

Mr. Gopal Subramanyam

Non-Executive,
Independent Director,
Chairperson



Ms. Anu Arun Wakhlu

Non-Executive,
Independent Director,
Member



Mr. Mukund Vasudevan

Executive Director
(Managing Director),
Member



Mr. Sujeeth Pai

Executive Director
(Whole-time Director),
Member



Mr. Ashish Saraf

Chief Financial Officer,
Member



The meetings of the Committee during the Financial Year 2025-26 are within the timelines as specified in Regulation 21 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

7.3 Brief description of terms of reference:

Our Risk Management Committee (RMC) enables the achievement of the Company's strategic objectives by identifying, analysing, assessing, mitigating,

Corporate Governance Report 2025-26 (contd.)

monitoring and governing any risk or potential threat to these objectives. The systematic and proactive identification of risks, and mitigation thereof, enables our organisation to boost performance with effective and timely decision-making. Strategic decisions are taken after careful consideration.

Our RMC encompasses all of the Company's risks, such as strategic, Operational, and legal & compliance risks. Any of these categories can have internal or external dimensions.

The terms of reference of the Risk Management Committee, as approved by the Board and amended from time to time, includes the following:

- i. To consider the Risk Policy and determine the Company's risk appetite and risk tolerance, ensure that risk assessments are performed periodically and that risk management measures are put in place to mitigate/manage the risks.
- ii. To ensure that the Company has and maintains an effective on-going risk assessment process, consisting of risk identification, risk quantification, risk evaluation, risk mitigation plan and risk management.
- iii. To identify risks and measure their potential impact and likelihood.
- iv. To evaluate all types of risks applicable including strategic, financial, operational, technological, or cyber security and competition risks etc.
- v. To consider both the upside and the downside of risk taking and to take the "long view" — to think about the effects that something may impact in the future. Understanding of the regulatory environment in which the organisation operates, and the prospective changes related to risk governance.
- vi. Risk assessment procedures:
 - a) To ensure both qualitative and quantitative metrics are being used.
 - b) Review regularly and approve the parameters used in these measures and the methodology adopted.

- c) Set a standard risk register for the accurate and timely monitoring of critical, major and moderate risk and the management/mitigation measures thereof.
- vii. Review the Company's procedures for detecting fraud and for the prevention of bribery.
- viii. The Committee is authorised:
 - a) To seek any information, it requires from any employee/director of the Company to perform its duties.
 - b) To obtain, at the Company's expense, external legal or other professional advice on any matter within its terms of reference where required; and
 - c) To request the attendance of any employee at a meeting of the committee as and when required.

The Risk Management Policy articulates the Company's approach to addressing 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.

8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):

8.1 Composition, Name of Members and Chairperson:

In accordance with the provisions of Section 135 of the Act and rules framed thereunder, even though the provisions of Corporate Social Responsibility were not applicable to the Company for the financial year 2025-26, the Board of Directors have constituted a Corporate Social Responsibility Committee in terms of the requirements of the Section 135 of Companies Act, 2013, w.e.f. 1st October, 2025.

The composition of Corporate Social Responsibility Committee as on 31st March, 2026 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
2.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	Member
3.	Mr. Gopal Subramanyam	Non-Executive, Independent Director	Member

Since the Corporate Social Responsibility Committee was constituted w.e.f. 1st October, 2025, the requirement of Chairperson of the Corporate Social Responsibility Committee being present to answer shareholder queries at the 1st AGM of the Company held on 19th September, 2025 was not applicable.

8.2 Meetings and attendance during the year:

The Committee met once in the Financial Year 2025-26. The meeting was held on 3rd February, 2026.

Mr. Mukund Vasudevan

Executive Director
(Managing Director),
Chairperson



Ms. Anu Arun Wakhlu

Non-Executive,
Independent Director,
Member



Mr. Gopal Subramanyam

Non-Executive,
Independent Director,
Member



8.3 Brief description of terms of reference:

- 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.
- Recommending the amount of expenditure to be incurred on CSR activities.
- Monitor implementation and adherence to the CSR Policy of the Company from time to time
- 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.

9. General Body Meetings:

9.1 Details of location and time, where last three annual general meetings & extra Ordinary General Meetings held:

Sr. No.	Type of General Meeting	Date	Day	Time	Location of the meeting
1.	2 nd Extra-Ordinary General Meeting	15 th October, 2025	Tuesday	6:30 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 Gaon, Chinchwad, Pune 411033, Maharashtra, India
2.	1 st Annual General Meeting for the Financial Year ended 31 st March, 2025	19 th September, 2025	Thursday	2:30 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 Gaon, Chinchwad, Pune 411033, Maharashtra, India
3.	1 st Extra-Ordinary General Meeting	20 th May, 2025	Tuesday	11:00 a.m. (IST)	Convened through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") deemed location to be the registered office of the Company at Chinchwad Gaon, Chinchwad, Pune 411033, Maharashtra, India

9.2 Details of special resolutions passed in the previous three annual general meetings and Extra Ordinary General Meetings:

Sr. No.	Type of General Meeting	Date	Special Resolutions passed if any
1.	2 nd Extra-Ordinary General Meeting	15 th October, 2025	- Appointment of Ms. Anu Arun Wakhlu (DIN: 00122052) as Non-Executive, Independent Director of the Company for a period of 2 years w.e.f. 1st October, 2025. - Appointment of Mr. Gopal Subramanyam (DIN: 06684319) as Non-Executive, Independent Director of the Company for a period of 2 years w.e.f. 1st October, 2025.

Corporate Governance Report 2025-26 (contd.)

Sr. No.	Type of General Meeting	Date	Special Resolutions passed if any
			c) To consider and approve the remuneration to non-executive independent directors by way of commission for two years beginning from 1 st October, 2025 d) To consider and approve amendment in the Article of Association ("AOA") of the Company.
2.	1 st Annual General Meeting for the Financial Year ended 31 st March, 2025	19 th September, 2025	None
3.	1 st Extra-Ordinary General Meeting	20 th May, 2025	None

9.2 Details of special resolution passed last year through postal ballot – details of voting pattern:

Pursuant to Section 110 of the Act read with the Companies (Management and Administration) Rules, 2014, no special resolution was passed by the Members by way of Postal Ballot. Resolution(s), if required, shall be passed by Postal Ballot during FY 2025-26, as per the prescribed procedure.

a) Means of communication:

All important information relating to the Company, its financial performance, shareholding pattern, business information, quarterly results, press releases, policies, investor related information other information as per SEBI LODR, presentation to the press are regularly posted on Company's website. The periodic financial results of the Company are published in newspapers such as Financial Express and Maharashtra Times. These results are also available on the websites of the Company <https://www.skf.com/in/investors/skf-india-industrial-ltd>, BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com.

b) General shareholder information:

Annual General Meeting – date, time, and venue	Thursday, 13th August, 2026, at 3:00 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	1 st April, 2025 to 31 st March, 2026	
Cut off for Dividend (if any)	Friday, 3 rd July, 2026	
Cut off for E-voting	Thursday, 6th August, 2026	
Dividend Payment Date	on or after Monday, 17 th August, 2026 (within the statutory time limit of 30 days) subject to Shareholders' approval at the AGM	
E-Voting Lines commencement	Sunday, 9th August, 2026 (9:00am)	
E-Voting Lines end	Wednesday, 12th August, 2026 (5:00 PM)	
The name and address of each stock exchange(s) at which the listed entity's securities are listed	BSE Limited 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 Limited, Exchange Plaza, 5 th 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	544572	SKFINDUS
ISIN	INE2J8701016	

Corporate Governance Report 2025-26 (contd.)

Confirmation about payment of annual listing fee to each of such stock exchange(s);	The Company has paid Listing Fees for the financial year 2025-26 to each of the Stock Exchanges, where the equity shares of the Company are listed.
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), C-101, 1 st 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.mufig.com Website: www.in.mpms.mufig.com
Share Transfer System	The shares of the Company are traded dematerialised 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 Location	Chinchwad, Taluka Haveli, Pune - 411 033,
Address for correspondence	SKF India (Industrial) Limited Registered & Corporate Office: Chinchwad Gaon, 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 31 st March, 2026.

10.1 Distribution of shareholding as 31st March, 2026:

SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	to	500	57,004	96.6595	2,209,356	4.4689
501	to	1,000	972	1.6482	727,504	1.4715
1,001	to	2,000	538	0.9123	762,573	1.5425
2,001	to	3,000	138	0.234	332,043	0.6716
3,001	to	4,000	83	0.1407	295,175	0.5971
4,001	to	5,000	42	0.0712	188,557	0.3814
5,001	to	10,000	68	0.1153	460,006	0.9305
10,001	to	*****	129	0.2187	44,462,749	89.9365
Total			58,974	100	49,437,963	100.0000

Corporate Governance Report 2025-26 (contd.)

10.2 Dematerialisation of shares and liquidity:

	No. of Shares	% of total capital issued
Held in dematerialised form in NSDL	45,136,251	91.30
Held in dematerialised form in CDSL	4,301,712	8.70
Physical	0	0
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.

c) 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/09ebe387d032664d/pdf_preview_medium/Vigil_Mechanism_Policy_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: As the Company does not have any Subsidiary hence not require to adopt the policy related to determination of material subsidiary.

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/0952670989a77b41/pdf_preview_medium/Policy_on_Related_Party_Transactions-20260313145359_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 utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company has not raised funds through preferential allotment or qualified institution placement as specified under Regulation 32(7A) during FY 2025-26.

11.10A certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority and Compliance Certificate regarding compliance of conditions of Corporate Governance:

A certificate has been obtained from M/s J.B. Bhawe & 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 – E**

11.11 Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:

The Board of Directors has accepted all recommendations of all committees of the Board, which is mandatorily required, in the Financial Year 2025-26.

11.12 Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:

Total fees (all services) paid by the Company on a consolidated basis to M/s. Deloitte Haskins & Sells LLP,

Chartered Accountants, (Firm's Registration Number 117366W/W-100018) with the ICAI), Statutory Auditors forms part of the Notes to Financial Statements.

11.13 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy on the Prevention of Sexual harassment at the Workplace is available at

https://cdn.skfmediahub.skf.com/api/public/0907827d07e79649/pdf_preview_medium/Policy_on_Prevention_of_Sexual_Harassment_at_Workplace_pdf_preview_medium.pdf

Further below are the details of complaints relating to POSH:

- Number of complaints filed during the financial year: 5
- Number of complaints disposed of during the financial year: 4
- Number of complaints pending as on end of the financial year: 1

11.14 Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

No Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount were given by the Company during the Financial Year 2025-26.

11.15 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

The Company does not have any material subsidiary.

11.16 Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) above, with reasons thereof shall be disclosed: There are no non-compliances.

11.17 The corporate governance report shall also disclose the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted: Yes

11.18 The Company is in compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report:- Yes

Corporate Governance Report 2025-26 (contd.)

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 Industrial, and while handling any unpublished price-sensitive information, cautioning them of the consequences of violations.

Ms. Poorva Bang has been appointed as the Company Secretary & Compliance Officer.

Shares held by the Directors and KMP as at 31st March, 2026 are as under:

Name of Director/KMP	No. of shares or convertible instruments held
Ms. Anu Arun Wakhlu	Nil
Mr. Gopal Subramanyam	Nil
Mr. Karl Robin Joakim Landholm	Nil
Mr. Ajay Naik	Nil
Mr. Mukund Vasudevan	Nil

Name of Director/KMP	No. of shares or convertible instruments held
Mr. Sujeeth Pai	Nil
Mr. Ashish Saraf	Nil
Ms. Poorva Bang	Nil

11.21 OTHER INFORMATION FOR SHAREHOLDERS:

I. IEPF Information:

Pursuant to the Scheme of Arrangement between the Company (the "Resulting Company") and SKF India Limited (the "Demerged Company") and their respective shareholders and creditors, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013, as sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 26th September, 2025, the Company has transferred 288683 corresponding equity shares to the Investor Education and Protection Fund (IEPF) established by the Central Government in respect of those members of SKF India Limited whose shares had earlier been transferred to the IEPF and remained unclaimed as on the Record Date, i.e., 15 October, 2025.

In accordance with the Scheme, where the equity shares of SKF India Limited held by members had already been transferred to the IEPF Authority, the corresponding equity shares allotted in the Company were also transferred to the IEPF Authority. Such equity shares may be claimed from the IEPF Authority by submitting an application in Form IEPF 5, along with the prescribed documents.

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 FY 2025-26 along with the notice convening the AGM through email to those shareholders whose email id is available as per registered records. As a continuing endeavour towards the 'Go Green' Initiative, the Company is sending intimation of annual reports/dividends by e-mail/

Corporate Governance Report 2025-26 (contd.)

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.

d) Disclosures with respect to demat suspense account/unclaimed suspense account:

Below are the details of shares in the demat suspense account of the Company as on 31st March, 2026:

Particulars	No. of Shareholders	No. of Shares
a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year i.e. 1 st April, 2025	0	0
b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	16	955

Particulars	No. of Shareholders	No. of Shares
c) Number of shareholders to whom shares were transferred from suspense account during the year	0	0
d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year i.e. 31 st March, 2026	1,568	302,132
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	

e) Disclosure of certain types of agreements binding listed entities:- Not Applicable

**For and on behalf of the Board,
SKF India (Industrial) Limited**

Gopal Subramanyam

Chairman

DIN: 06684319

Date: 12th May, 2026

Place: Pune

To the Board of Directors of SKF India (Industrial) Limited

Independent Auditor's Certificate on Corporate Governance

1. This certificate is issued in accordance with the terms of our engagement letter dated September 30, 2025.
2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of **SKF India (Industrial) Limited ("the Company")**, have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2026, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and Para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "LODR Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in LODR Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the LODR Regulations during the year ended 31st March, 2026.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

Kedar Raje
Partner

(Membership No. 102637)

UDIN: 26102637NFVBQP1585

Place: Pune

Date: 12th May, 2026

Annexure – C

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 (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF GMBH is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements)	Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Purchase of Capital goods and services, Reimbursements Paid, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF Industire SPA (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Industire SPA is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements)	Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Reimbursements Received and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF Sverige AB (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Sverige AB is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements)	Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil

Annexure – C (contd.)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
SKF Engineering & Lubrication India Private Limited (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Engineering & Lubrication is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements))	Contract for Loan, Interest Income on Loan to related party, Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods, Rent Income on lease property, Reimbursements Paid, Reimbursements Received, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF Interim Germany GMBH (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Interim Germany GMBH is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements))	Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Purchase of Capital Goods and Services, Reimbursements Paid, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF AB Sweden The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). Since AB SKF being ultimate holding company is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").	Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Trademark Fees, Royalty, IT Services, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting,	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF France S.A. (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF France S.A. is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements))	Contract for Purchase of Raw Material, components, spares and Finished Goods, Reimbursements Received, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting,	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil

Annexure – C (contd.)

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date of approval by the Board	Amount paid as advances, if any
SKF India Limited (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF India Limited is a subsidiary of SKF Vertevo AB which is ultimately held by Aktiebolaget SKF ("AB SKF") and SKF India Limited and the Company are 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").	Contract for Reimbursements Paid, Reimbursements Received, ISA Services provided, ISA Services received, Sale of products to non consenting customers, Refund of deposit received from non consenting customers, Sale of Trading Goods, Purchase of Trading Goods and Services received (In respect of non consenting customer) on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF Asia Pacific Pte Ltd (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Asia Pacific Pte Ltd is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").	Contract for Purchase of Raw Material, components, spares and Finished Goods, Reimbursements Received, Technical and Service Income and Sale of Goods and services on a continuous basis	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil
SKF (DALIAN) BEARINGS & PREC.CO (The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF (DALIAN) BEARINGS & PREC.CO is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements)	Contract for Purchase of Raw Material, components, spares & Finished Goods, Sale of Goods and services, Other services received/given	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 1 st Annual General Meeting, whichever is earlier	The transactions are entered as ordinary course of business. The detailed information forms part of notes to financial statements for the FY 2025-26.	15 th May, 2025 and approved by the members of the Company on 15 th October, 2025	Nil

**For and on behalf of the Board,
SKF India (Industrial) Limited**

Place: 12th, 2026

Date: Pune

Gopal Subramanyam, Chairman

DIN: 06684319

Annexure – D

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31st MARCH, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board Members,
SKF INDIA (INDUSTRIAL) LIMITED
Chinchwad Gaon, Chinchwad,
Pune 411033, Maharashtra, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SKF INDIA (INDUSTRIAL) LIMITED** having CIN: L28140PN2024PLC236396 (Hereinafter called 'the Company').

Secretarial Audit was conducted for the period **1st April, 2025 to 31st March, 2026 ("audit period")**, 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 financial year ended 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2026 according to the provisions of the following list of laws and regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made there under, to the 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Applicable w.e.f. 5th December, 2025)**
2. SEBI (Prohibition of Insider Trading) Regulations, 2015; **(Applicable w.e.f. 5th December, 2025)**
3. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Applicable w.e.f. 5th December, 2025)**
4. SEBI (Share Based Employee Benefits and Sweat Equity) Regulations 2021; **(Not applicable to the Company during the audit period)**
5. SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
6. SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with the client; **(Applicable w.e.f. 5th December, 2025)**
7. SEBI (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**
8. SEBI (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
9. SEBI (Depositories and Participants) Regulations, 2018 and circulars/guidelines issued thereunder; **(Applicable w.e.f. 5th December, 2025)**

- (vi) Other Applicable Laws: As informed by the management, there are no other laws applicable specifically to the Company.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Applicable w.e.f. 5th December, 2025)**

Annexure – D (contd.)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes if any in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the committee and Board Meetings, agenda and detailed notes on agenda are sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

The decisions were passed by the Board members unanimously/by requisite majority and are recorded as part of minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

I further report that during the audit period: -

1. The members approved the increase in authorised capital of the Company from 150,000 (One Lakh Fifty Thousand) equity shares of INR 10/- (Rupees Ten only) each aggregating to INR 1,500,000/- (Rupees Fifteen Lakh only) to 50,000,000 (Five Crores) equity shares of INR 10/- (Rupees Ten only) each aggregating to INR 500,000,000/- (Rupees Fifty Crores only) vide its Extra Ordinary General Meeting held on 20th May, 2025 by passing an Ordinary Resolution.
2. The Hon'ble National Company Law Tribunal vide its order dated 26th September, 2025 sanctioned the Scheme of Arrangement between SKF India Limited ("Demerged Company") and SKF India (Industrial) Limited ("Resulting Company") and their respective shareholders and creditors in accordance with
3. The changes in board structure of the Company were as under:

Sections 230 to 232 and other applicable provisions of Companies Act, 2013 ("Scheme") and the Board of Directors of Demerged Company and Resulting Company mutually fixed the appointed date and effective date as 1st October, 2025.

The Company disclosed information before commencement of trading via an Information memorandum dated 26th November, 2025, on the websites of the stock exchanges. Further, the Company also published a statutory advertisement, pursuant to letter from SEBI dated 25th November, 2025 relaxing the provisions of the Rule 19(2)(B) of the Securities Contract (Regulation) Rules, 1957 and in compliance of Para 5 of Part II of SEBI Master Circular No. SEBI/HO/CFD/POD-2/P/CIR/2023/93 dated 20th June, 2023 in one English and one Hindi newspaper with nationwide circulation and one regional newspaper with wide circulation at the place where the registered office of the Company was situated.

On 27th November, 2025, the Company published a statutory advertisement issued in compliance with pursuant to grant of relaxation by SEBI from the applicability of in the matter of scheme of arrangement between SKF India Limited and the Company and their respective shareholders and creditors.

Pursuant to the scheme, 49,437,963 (Four Crores Ninety-Four Lakh Thirty-Seven Thousand Nine Hundred and Sixty-Three) fully paid-up equity shares of INR 10/- (Rupees Ten only) each were allotted in the entitlement ratio of 1 (One) fully paid-up equity share of INR 10/- (Rupees Ten only) each of the Company for every 1 (One) fully paid-up equity share of INR 10/- (Rupees Ten only) each held by shareholders of SKF India Limited. The equity share capital held by SKF India Limited in the Company was subsequently cancelled.

Further, the Company received listing approvals from the Stock Exchanges (BSE and NSE) on 5th December, 2025, pursuant to which the relevant regulations of the Securities and Exchange Board of India became applicable to the Company.

Sr. No.	Particulars	Appointment/ Re-Appointment/Change in Designation/Cessation	Designation	Effective Date
1	Mr. Shailesh Sharma (DIN: 09493881)	Cessation	Director	30 th September, 2025
2	Mr. Dinesh Verma (DIN: 09771230)	Cessation	Director	30 th September, 2025

Annexure – D (contd.)

Sr. No.	Particulars	Appointment/ Re-Appointment/Change in Designation/Cessation	Designation	Effective Date
3	*Mr. Gopal Subramanyam (DIN: 06684319)	Appointment	Chairperson, Independent Director	1 st October, 2025
4	*Mr. Anu Arun Wakhlua (DIN: 00122052)	Appointment	Independent Director	1 st October, 2025
5	**Mr. Mukund Vasudevan (DIN: 05146681)	Change in Designation	Managing Director	1 st October, 2025
6	**Mr. Sujeeth Pai (DIN: 07763929)	Appointment	Whole-time Director	1 st October, 2025
7	**Mr. Ajay Naik (DIN: 07127264)	Appointment	Non- Executive Director	1 st October, 2025
8	**Mr. Karl Robin Joakim Landholm (DIN: 09651911)	Appointment	Non- Executive Director	1 st October, 2025

*Appointed by shareholders vide Special Resolutions passed in the Extra Ordinary General Meeting held on 15th October, 2025.

**Appointed by shareholders vide Ordinary Resolutions passed in the Extra Ordinary General Meeting held on 15th October, 2025.

4. Changes in Key Managerial Personnel and Senior Management Personnel of the Company were as under:

Sr. No.	Particulars	Appointment/ Re-Appointment/Change in Designation/Cessation	Designation	Effective Date
1.	Ms. Poorva Bang	Appointment	Company Secretary & Compliance Officer, Nodal Officer	3 rd February, 2026
2.	Ms. Deeksha Hapawat	Appointment	Interim Head – Legal, Secretarial and Corporate Affairs	3 rd February, 2026
3.	Mr. Ashish Saraf	Appointment	Chief Financial Officer	1 st October, 2025
4.	Mr. Ranjan Kumar	Appointment	Company Secretary & Compliance Officer, Nodal Officer	1 st October, 2025
		Resignation	Company Secretary & Compliance Officer, Nodal Officer	31 st January, 2026
5.	Mr. Jaiveer Singh	Appointment	Director IT & Digitization	1 st October, 2025
6.	Ms. Surbhi Srivastava	Appointment	Director- People Experience	1 st October, 2025
7.	Ms. Nrithika Srisharan	Appointment	Director- Strategy and Marketing	1 st October, 2025
8.	Mr. Girish Hanchate	Appointment	Director – Industrial Market	1 st December, 2025

Annexure – D (contd.)

5. The members approved the following as well at the Extra Ordinary General Meeting held on 15th October, 2025:
- a. Approval of remuneration to Non-Executive Independent Directors for 2 financial years commencing from FY 2025-26 (Special Resolution).
 - b. Amendment in the Articles of Association of the Company (Special Resolution).
 - c. Ratification of remuneration of Cost Auditor (Ordinary Resolution).
 - d. Approval of Material Related Party Transactions for FY 2025-26 (Ordinary Resolution) for transactions with SKF India Limited, SKF Interim Germany GmbH, SKF AB Sweden, SKF Asia Pacific Pte Limited, SKF Engineering and Lubrication India Private Limited, SKF GmbH, SKF Industrie SPA, SKF Sverige and SKF (Dalian) Bearings & Prec. Co.

**For J. B. Bhavé & Co.
Company Secretaries**

**Jayavant B. Bhavé
Proprietor
FCS: 4266 CP: 3068
UIN: S1999MH025400
PR No.: 7781/2026**

Place: Pune

Date: 12th May, 2026

Annexure – D (contd.)

**ANNEXURE TO THE SECRETARIAL AUDIT REPORT OF
SKF INDIA (INDUSTRIAL) LIMITED
(FINANCIAL YEAR ENDED 31ST MARCH, 2026) AUDITORS' RESPONSIBILITY**

My Report of even date is to be read along with this letter.

In accordance with the ICSI Auditing Standards (CSAS1 to CSAS4), I wish to state as under-

1. The Secretarial Audit 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 the 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**

Place: Pune

Date: 12th May, 2026

FCS: 4266 CP: 3068

Annexure – E

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 (Industrial) Limited
Chinchwad Gaon, Chinchwad,
Pune City, Maharashtra, India, 411033

I have examined the relevant registers, record, forms, returns and disclosures received from the Directors of **SKF India (Industrial) Limited** having CIN: L28140PN2024PLC236396 and having Registered Office at Chinchwad Gaon, Chinchwad, Pune City, Maharashtra, India, 411033 (hereinafter referred to as “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V, Para-C, sub-clause

10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications {including Directors Identification Number (DIN) status at the portal www.mca.gov.in} as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	Designation	DIN	Date of Appointment in the Company
1.	Mr. Subramanyam Gopal	Chairperson – Non-Executive, Independent Director	06684319	1 st October, 2025
2.	Mr. Mukund Vasudevan	Managing Director	05146681	1 st October, 2025*
3.	Mr. Mangalore Sujeeth Pai	Whole-time Director	07763929	1 st October, 2025
4.	Ms. Anu Arun Wakhlu	Non-Executive, Independent Director	00122052	1 st October, 2025
5.	Mr. Karl Robin Joakim Landholm	Non-Executive Director	09651911	1 st October, 2025
6.	Mr. Ajay Ranjit Naik	Non-Executive Director	07127264	1 st October, 2025

*Appointed as a Non- Executive Director effective 17th December, 2024 and appointed as a Managing Director at the Extra-Ordinary General Meeting held on 15th October, 2025, appointment was effective from 1st October, 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. Bhawe & Co.
Company Secretaries

Jayavant B. Bhawe
Proprietor

FCS: 4266 CP: 3068

UIN: S1999MH025400

PR No.: 7781/2026

UDIN: F004266H000331450

Date: 12th May, 2026
Place: Pune

Annexure – F

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 financial year 2025-26; 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	Non- Executive Chairperson, Independent Director	1.41	NA
*Ms. Anu Arun Wakhlu	Non- Executive, Independent Director	1.22	NA
**Mr. Mukund Vasudevan	Managing Director	17.02	NA
*Mr. Sujeeth Pai	Whole-Time Director	9.54	NA
*Mr. Ajay Naik	Non- Executive, Non-Independent Director	NA	NA
*Mr. Karl Robin Joakim Landholm	Non- Executive, Non-Independent Director	NA	NA
*Mr. Ashish Saraf	Chief Financial Officer	5.78	NA
**Ranjan Kumar	Company Secretary	5.28	NA
****Ms. Poorva Bang	Company Secretary	1.18	NA

*Mr. Gopal Subramanyam was appointed as a Non Executive, Independent Director and Chairperson of the Company. Ms. Anu Arun Wakhlu was appointed as a Non Executive, Independent Director. Mr. Ajay Naik and Mr. Karl Robin Joakim Landholm were appointed as Non Executive, Non Independent Directors. Mr. Sujeeth Pai was appointed as a Whole Time Director. All these appointments w.e.f. 1st October, 2025.

**Mr. Mukund Vasudevan was appointed as Non-Executive Non-Independent Director of the Company w.e.f. 17th December, 2024 and later on appointed as Managing Director of the Company w.e.f. 1st October, 2025.

**Ranjan Kumar resigned as a Company Secretary from the Company w.e.f. 31st January, 2026

****Ms. Poorva Bang was appointed as Company Secretary w.e.f. 3rd February, 2026.

- (B) The percentage increase in remuneration of Chief Financial officer (CFO) and Company Secretary (CS) in the financial year 2025-26: Not Applicable[#]
- (C) The percentage increase in the median remuneration of employees in the financial year 2025-26 – Not Applicable[#]
- (D) The number of permanent employees on the rolls of company: 556
- (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: Not Applicable[#]

- (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.

Annexure – F (contd.)

The Company was incorporated on 17th December, 2024. The Hon'ble National Company Law Tribunal, Mumbai Bench, vide its order dated 26th September, 2025, sanctioned the Scheme of Arrangement between the Company and SKF India Limited ('Demerged Company') and their respective shareholders and creditors ('Scheme'). The appointed and effective date of Scheme was 1st October, 2025. The Company did not have any employees prior to

1st October 2025 and accordingly, the percentage increase in the median remuneration of employees for FY 2024-25 is not applicable and consequently, the average percentile increase in salaries of employees (other than Managerial Personnel) during the FY 2024-25, as well as its comparison with the corresponding percentile increase in managerial remuneration, along with its justification, is not applicable.

**For and on behalf of the Board,
SKF India (Industrial) Limited**

**Gopal Subramanyam,
Chairman
DIN: 06684319**

Place: 12th May, 2026

Date: Pune

Annexure – G

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 Industrial, after the demerger, has continued to prioritise its environmental initiatives of decarbonisation and Net Zero GHG emission goals as a part of its clean and intelligent growth strategy. To reduce scope 1 & 2 emissions in our manufacturing processes major focus is now on eliminating fossil fuel usage, improving energy efficiency in our processes. These are the key strategies to substantially reduce energy usage. The major focus is on sourcing renewable energy in the form of solar and wind solar hybrid projects. SKF manufacturing sites worked extensively on bottom-up approach through energy saving idea generation sessions and identifying breakthrough technology projects to save energy.

1. THE STEPS TAKEN OR IMPACT ON CONSERVATION OF ENERGY.

Both Pune and Bangalore, SKF Industrial sites have a systematic energy management system in place as per the ISO 50001 guidelines. Various energy conservation initiatives and projects have been undertaken as mentioned below.

1.1 Pune

- Extensive energy review was conducted for all industrial channels, and significant energy users were identified as per ISO50001 guidelines, such as grinding channels compressors, Heat treatment, Centralised utilities, HVAC systems.
- The cross functional team worked extensively on identified small energy saving projects that resulted in substantial energy savings.
- A major energy saving breakthrough was achieved through commissioning of adsorption chillers with heat recovery from compressor and using water as natural refrigerant resulted in saving substantial energy savings.
- Existing old AHUs were replaced by EC+ direct coupled fans with VFDs (11 Nos.) were replaced.

- The team identified and closed compressed air leakages on the shop floor, maintaining the specific energy consumption of compressors to reduce specific energy consumption.
- In terms of specific electrical energy consumption, 2.5% reduction was achieved.
- Power factor was maintained at near unity 0.995 PF for the complete year.

1.2 Bangalore

- Various energy saving projects initiated on CH03, CH04 and CH05 grinding, honing and assembly machines, resulted in substantial savings.
- Specific electrical energy consumption was reduced by 6.4% through various energy conservation initiatives,
- FGC_ oscillation system – 2 speed brake induction motor converted to direct drive servo mechanism.
- Comfort cooling automated motorised valve in Block 1 assembly zone.
- Leaks seek concept- various compressed air leakage were arrested. Resulted in reducing noise as well as reduction in energy per CFM.
- Energy saving Kaizens- 12 no, implemented ensuring participation of workmen and electricians.
- Switching off conveyors during open variants stopped idle running of conveyors.
- SSB- 4 machine converted with servo driven roller screw & servo dresser motor, eliminated 40 bar hydraulic pump, resulted in energy saving, having good potential to replicate in 12 machines including SSB+ SHG
- To reduce diesel consumption for running Diesel generators, additional 11KV express feeder was installed to overcome frequent electrical grid failure.

Annexure – G (contd.)

2. The steps taken by the Company for utilising alternate sources of energy.

As a part of achieving Net Zero in manufacturing sites, SKF India industrial sites continued to harness renewable energy through existing solar and wind solar hybrid projects for both Pune and Bangalore sites.

Pune

- To achieve decarbonisation, Pune site has sourced 100% renewable energy through onsite, offsite physical solar power projects and virtual power projects through IREC purchase.

Bangalore

- Along with Onsite roof top solar, Bangalore site sourcing 100 % renewable energy for the last year through Group captive wind solar hybrid projects and on site rooftop solar projects.

3. The capital investment on energy conservation equipment.

All the small energy saving projects completed in this financial year in Pune, Bangalore are completed on revenue budget. SKF has invested ~ 5 MSEK for energy saving project for adsorption chiller installation in Pune and air handling unit (AHU) energy improvement at Pune and Bangalore.

B. TECHNOLOGY ABSORPTION

1. THE EFFORTS MADE TOWARDS TECHNOLOGY ABSORPTION OF THE COMPANY

Product and Process Development/improvement and Import Substitution

1.1 Pune

- Added New channel stRB capacity addition 2.4 mPCs capacity.
- mTRB Channel T5 capacity expansion by 0.7 mPCS
- (ii) the benefits derived like product improvement, cost reduction, product development or import substitution.
- Developed 13 New Products in TRB and DGBB.
- Productivity improvement in DGBB Ch-08 by Cycle time improvement and reducing losses.

- Almost 10 machines upgraded locally.
- (iii) Imported Technology
- Imported Grinding and Honing machine for MTRB channel expansion.
- Transferred sTRB channels from Sopot Bulgaria.

1.2. Bangalore

Product and Process Development improvement and Import Substitution

- Locally developed riveting visual inspection machine installed in ch-5
- New MYD machine installed in channel-4 & completed.
- SOBC layout modification completed for capacity enhancement
- AE implementation 3 channels – Bore grinding implemented.
- CRB Layout modification in the ch-7 completed
- Machine upgrades completed for 23 machines
- As part of flexibility improvement 6203 in channel 4
- New product PU rollers samples submitted for customer Johnson
- (ii) Imported Technology
- New OD crowing machine installed – make from Seibu Japan
- New CRB BC1-3910, BC1-3145, samples delivered

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company continues to explore new product ranges for overseas customers. Major exports are directed to Industrial OEMs and the aftermarket in Europe, as well as to aftermarket customers in Asia, Brazil, and the USA.

The information on foreign exchange earnings and outgo from 1st October, 2025 to 31st March, 2026 is as below:

- Earnings in foreign exchange is 1,444 MINR which is about 4% per cent of the total sales, comprising of exports of 1,082 MINR and technical and other service income and reimbursement of expenses 362 MINR.

Annexure – G (contd.)

- Outgo in foreign currency purchase of finished products 9,738.34 MINR; purchase of components, stores, capital goods 141.64 MINR; royalty 152.6 MINR, trademark fee INR 101.7 MINR, IT services 480.3 MINR, Administrative and Service Fees INR 3.7 MINR

**For and on behalf of the Board,
SKF India (Industrial) Limited**

Place: Pune

Date: 12th May, 2026

**Gopal Subramanyam, Chairman
DIN: 06684319**

Annexure – H

Declaration For Compliance with Code of Conduct

Pursuant to the Regulation 26(3) read with Part D of Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 I hereby declare that Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the Board of Directors and senior management for the Financial Year ended 31st March, 2026.

**For and on behalf of the
Board of Directors of SKF India (Industrial) Limited**

**Mukund Vasudevan
Managing Director
DIN: 05146681**

Annexure – I

To,
**The Board of Directors of,
SKF India (Industrial) Limited**
Chinchwad Gaon, Chinchwad,
Pune 411033, Maharashtra, India

CERTIFICATE PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

MD & CFO CERTIFICATE

We, the undersigned in our respective capacity as Managing Director and Chief Financial Officer of SKF India (Industrial) Limited ("the Company"), to the best of our knowledge and belief, certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2026 and that to the best of 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, 2026 which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and they have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of

which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

- d) We have indicated to the Auditors and the Audit Committee that:
 - i. There are no significant changes in internal control over financial reporting during the year ended 31st March, 2026, as the Company has good internal controls, if any in future, same will be indicated.
 - ii. There are no changes in accounting policies during the year, hence, same is not disclosed in the notes to the financial statements and,
 - iii. There are no instances of significant fraud of 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 SKF India (Industrial) Limited

Mukund Vasudevan
Managing Director
DIN: 05146681

Date: 12th May, 2026
Place: Pune

Ashish Saraf
Chief Financial Officer

Notice of 2nd Annual General Meeting

NOTICE is hereby given that the **2nd Annual General Meeting ("AGM")** of the Members of SKF India (Industrial) Limited ("the Company") will be held on **Thursday, 13th August, 2026, at 3.00 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 the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2026 together with Reports of the Board of Directors and the Auditors thereon; and
2. To approve and declare final dividend of INR 10/- per equity share having face value of INR 10/- each fully paid up for the financial year ended 31st March, 2026.
3. To appoint a Director in place of Mr. Sujeeth Pai (DIN: 07763929), who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

To consider and if thought fit, to pass, with or without modification(s), the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of the Section 152(6) of the Companies Act, 2023 Mr. Sujeeth Pai (DIN: 07763929) Whole Time Director, who retires by rotation at this Annual General Meeting, and being eligible, has offered himself for re-appointment, be and is hereby re-appointed as Whole Time Director of the Company.

SPECIAL BUSINESS:

4. **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 2026-27 to the Financial Year 2030-31.**

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 read with Circulars issued thereunder from time to time and on the recommendation of Audit Committee and the Board of Directors, M/s.J. B. Bhave & Co., Practicing Company Secretaries (FRN: S1999MH025400 and Peer Review Certificate No. 7781/2026) 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. to conduct the Secretarial Audit from Financial Year 2026-27 to Financial Year 2030-31 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."

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 GmbH, Schweinfurt, Germany, a fellow subsidiary and 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

Notice of 2nd Annual General Meeting (contd.)

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 Contract for Administrative and Service Fees, Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods, Reimbursements Paid, Technical and Service Income and Sale of Goods and services and any other business transactions on continuous basis up to 6,400 MINR ("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 the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF Germany, in aggregate, does not exceed 6,400 MINR 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 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, a fellow subsidiary and 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") read with Rules made thereunder, other applicable

laws/statutory provisions, if any, (including any statutory modification(s) or amendment(s) or re-enactment(s) thereof, for the time being in force) and Regulation 23(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 and 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 Loan, Interest Income on Loan to related party, Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods, Rent Income on lease property, Reimbursements Paid, Reimbursements Received, Technical and Service Income and Sale of Goods on continues basis ("Related Party Transactions") on such terms as may be mutually agreed between the Company and the SELIPL, for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SELIPL in aggregate, does not exceed 12,071 MINR 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 as and upon such terms and conditions as may be mutually agreed between the Company and SELIPL.

RESOLVED FURTHER THAT pursuant to the provisions of Section 186 read with the Section 188 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

Notice of 2nd Annual General Meeting (contd.)

grant/ execute/ extend/ disbursed the loan of upto MINR 2500 (this loan amount is part of the aforesaid Material Related Party Transaction Limit of MINR 12,071) for a term up to 2030, in one or more tranche(s) to SELIPL for Financial Year 2026-27 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 approve Material Related Party Transactions with SKF Sverige AB, a fellow subsidiary and 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 Sverige AB, 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 Contract for Administrative and Service Fees, 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 4,125 MINR (“Related Party Transactions”) as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the SKF Sverige AB, for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF Germany in aggregate, does not exceed 4,125 MINR 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 Sverige AB.

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.”

Notice of 2nd Annual General Meeting (contd.)

8. To approve Material Related Party Transactions with SKF AB SWEDEN, Ultimate Holding 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 AB SWEDEN (AB SKF), Ultimate Holding Company 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 Contract for Administrative and Service Fees, IT Services, Purchase of Raw Material, components, spares and Finished Goods, Royalty, Reimbursements Received, Trademark Fees, Technical and Service Income and Sale of Goods and services and any other business transactions on continuous basis up to MINR 4,647 (‘Related Party Transactions’) as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the AB SKF, for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with AB SKF, in aggregate, does not exceed MINR 4,647 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 AB SKF.

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.”

9. To approve Material Related Party Transactions with SKF India Limited, a fellow subsidiary and 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 India Limited, Fellow Subsidiary and a ‘Related Party’ as defined under Section 2(76) of the Act and

Notice of 2nd Annual General Meeting (contd.)

Regulation 2(1)(zb) of SEBI LODR, in the nature of Contract for Administrative & Service Fees, Purchase of Capital Goods and Services, Purchase of Goods and Services, Reimbursements Paid, Reimbursement of expenses paid on behalf of SKF India Limited, ISA Services Provided, ISA Services Received, Refund of deposit received from non consenting customers and Sale of Goods and services on a continuous basis up to MINR 18,180 ("Related Party Transactions") as detailed in the explanatory statement, on such terms as may be mutually agreed between the Company and the SKF India Limited, for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF India Limited, in aggregate, does not exceed MINR 18,180 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 India Limited.

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."

10. To approve Material Related Party Transactions with SKF Asia Pacific Pte Ltd, a fellow subsidiary and 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, 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 Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Technical and Service Income and Sale of Goods and any other business transactions on continuous basis up to MINR 3,816 ("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 Pte Ltd, for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF Asia Pacific Pte Ltd, in aggregate, does not exceed MINR 3,816 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 Pte Ltd.

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

Notice of 2nd Annual General Meeting (contd.)

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.”

11. To consider and approve the remuneration of the Cost Auditors for the Financial Year 2026-27.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148(3) and other applicable provisions if any of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee and Board of Directors, the remuneration of INR 2,50,000/- (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 31st March, 2027, be and is hereby approved.”

12. 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 2025-26.

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of section 197 and 198 of the Companies Act, 2013

(“the Act”) read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Schedule V of the Act, and any other applicable provisions of the Act, including any other statutory modification(s) or re-enactment(s) thereof, the Articles of Association of the Company, Regulation 17 (6) (ca) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, including any other applicable regulations thereon, and based on the recommendations of the Board of Directors, consent of the Members be and is hereby accorded for payment of remuneration equal to a sum of INR 2,833,724/- (Rupees Twenty-eight Lakhs thirty-three thousand seven hundred twenty-four 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 the Financial Year 2025-26, in addition to sitting fees and reimbursement of expenses for attending the meetings of the Board of Directors or Committees.

RESOLVED FURTHER THAT Mr. Mukund Vasudevan, Managing Director of the Company be and is hereby authorised 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 (Industrial) Limited

Poorva Bang
Company Secretary & Compliance Officer
Membership No.: A54596

Registered Office: Chinchwad Gaon, Chinchwad, Pune 411033, Maharashtra, India
CIN.: L28140PN2024PLC236396
E-mail: industrialindia@skf.com
Website: <https://www.skf.com/in/organisation/about-skf-india/about-skf-india-industrial-limited>
Telephone No.: 020- 66112501
Date: 12th May, 2026

Notice of 2nd Annual General Meeting (contd.)**Notes:****Explanatory Statement**

1. 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 12 of the Notice is annexed hereto. The relevant details with respect to Item No. 3 to 12, 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**.

Virtual Meeting

2. The Ministry of Corporate Affairs ("MCA") vide its General Circular no. 20/2020 dated 5th May, 2020 read with subsequent circulars issued from time to time, the latest one being General Circular No. 03/2025 dated 22nd September, 2025 and recent MCA notifications issued if any in this regard ("MCA Circulars") and Securities and Exchange Board of India (SEBI) vide its Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 read with subsequent circulars issued from time to time, the latest one being Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated 3rd October, 2024, ("SEBI Circulars") (hereinafter collectively referred to as "Circulars") has permitted companies to conduct AGM through Video Conference ("VC") or Other Audio-Visual Means ("OAVM"), without physical presence of members at a common venue, until 30th September, 2025. Accordingly, in compliance with the provisions of the Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) and above Circulars, 2nd AGM of the Company is being held through VC/OAVM on Thursday, 13th August, 2026 at 3:00 pm IST with deemed venue being the Registered Office of the Company.
3. Members to note that National Securities Depository Limited (NSDL) will be providing facilities of voting through remote e-voting and e-voting during the AGM. The procedure for participating in the meeting through VC/OAVM is explained below.
4. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Act.
5. Pursuant to Regulation 44 of SEBI Listing Regulations and the aforesaid circulars, facility for appointment

of Proxy by members is not available for this AGM. Accordingly, proxy form, attendance slip including route map to the venue are not annexed to this Notice.

However, pursuant to section 112 and 113 of the Act, representatives of members such as the President of India or the Governor of a State or body corporate can attend this AGM through VC/OAVM and cast their votes through e-voting.

Authorised Representative

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 Authorisation letter authorising 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.

Electronic dispatch of Annual Report and process for registration of e-mail ID and for obtaining copy of Annual Report:

7. In compliance with aforesaid Circulars, the 2nd AGM Notice along with Annual Report for Financial Year 2025-26 is being sent in following manner:
 - i. Via e-mail to all those Members who have registered their e-mail addresses either with the Company/with their Depository Participant(s) ('DP') Depositories;
 - ii. A letter providing the web link of the Company's website, including the exact path, where the complete details of the Annual Report is available to those Members who have not registered their e-mail addresses;
 - iii. Hard copy to those Members, who request for the same
8. Members may note that the AGM Notice and Annual Report for financial year 2025-26 is also available on the Company's website at <https://www.skf.com/in/organisation/about-skf-india/about-skf-india-industrial-limited>, websites of Stock Exchanges viz., the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) at www.bseindia.com and www.nseindia.com, respectively.
9. Members who would like to express their views/ask questions before or during the meeting may send an email at Company's email address industrialindia@skf.com from their registered email id with the Company or RTA mentioning their views/questions along with their full name, demat account number/

Notice of 2nd Annual General Meeting (contd.)

folio number, registered email id, mobile number and such other details as may be deemed fit by **2nd August, 2026**. Only the views/questions of those shareholders will be taken up who have mailed it to the Company within prescribed time and will be replied suitably.

10. 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.
11. The Record date is fixed as **Friday, 3rd July, 2026** for the purpose of determining the eligibility of member(s) entitled to receive dividend, if declared at the AGM.

Dividend payment and Tax on dividend

12. The final dividend of INR 10/- per equity shares of INR 10/- each for the financial year 2025-26, as recommended by the Board of Directors of the Company, if declared at AGM, will be paid on or before the 30th day from the date of declaration of dividend, to those members whose names appear in the statement of Beneficial Owners furnished by National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") for this purpose as of the end of the day, on **Friday, 3rd July, 2026**
13. Dividend income is taxable in the hands of the Members/Shareholders and the Company is required to deduct tax at source ("TDS") from dividend payments in accordance with the provisions of the Income-tax Act, 2025 ("IT Act, 2025"). Accordingly, Members are requested to ensure that their residential status, PAN, tax status/category and other relevant particulars are updated with their Depository Participant(s) or, in respect of shares held in physical form, with the Company's Registrar and Share Transfer Agent by sending an email to csg-unit@in.mpms.mufig.com to enable the Company to determine the appropriate rate of tax deduction.
14. Beneficial Owners holding shares in demat form are advised to get particulars of their bank account updated with the Depository Participant (DP) in terms of SEBI Guidelines and the regulations of NSDL and CDSL for the purpose of payment of dividends. The Company or RTA will not entertain requests for change of such bank details printed on their dividend warrants. Member(s) holding shares in physical form are requested to notify the Company or Company's RTA of any change in their addresses/Bank Mandates.

Unclaimed equity shares pursuant to Scheme of Arrangement:

15. Further, pursuant to the Scheme of Arrangement between the Company and SKF India Limited ('SKF India') and their respective shareholders and creditors ('Scheme'), providing for the demerger of Industrial business (as defined in the Scheme) into the Company on a going concern basis, the Company on 17th October, 2025, allotted equity shares having face value of INR 10/- each to the Members of SKF India as on the Record Date i.e., 15th October, 2025, as per the share entitlement ratio of 1:1 i.e., 1 fully paid-up equity share of the Company having a face value of INR 10/- each for every 1 fully paid-up equity share of INR 10/- each held in SKF India, as consideration for the Scheme in the manner provided in the Scheme. In terms of the Scheme, the said allotment was done in dematerialised mode only.

Accordingly, the allotted equity shares of the Company in respect of the following category of Members were transferred to the Unclaimed Suspense Account of the Company:

- (i) Members holding equity shares of SKF India Limited in physical form as on the Record Date;
 - (ii) Members holding equity shares of SKF India Limited in dematerialised mode as on the Record Date but to whom equity shares could not be credited due to rejection by Depositories;
 - (iii) Members holding equity shares of SKF India Limited which were lying in the Unclaimed Suspense Account of SKF India as on the Record Date.
16. The aforesaid Members are advised to claim their equity shares by providing details/documents as prescribed in the communication sent to them. For any queries, please reach out to the Company's RTA at investor.helpdesk@in.mpms.mufig.com or to the Company at industrialindia@skf.com.

In cases where Members of SKF India Limited had their equity shares previously transferred to the IEPF Authority as on the Record Date, the corresponding equity shares in the Company have also been transferred to the IEPF Authority. Any corporate benefits associated with these equity shares, including dividend, if declared at this AGM, shall be credited to the IEPF Authority's account. Members whose equity shares have been transferred to the account of the IEPF Authority, including all benefits accruing on such

Notice of 2nd Annual General Meeting (contd.)

equity shares, if any, can be claimed by the Members from the IEPF Authority, after following the procedure prescribed under the IEPF Rules.

17. SEBI has mandated that certain service requests including transmission or transposition of securities held in physical form shall be processed by issuing securities in dematerialised mode only and physical share certificates shall not be issued by the Company to the Securities holder/claimant. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise equity shares held by them in physical form, for ease in portfolio management.
18. As per the provisions of the Act and applicable SEBI Circular, Members holding equity shares in physical form may file nomination in the prescribed Form SH-13 with the RTA or make changes to their nomination details through Form SH-14 and Form ISR-3. In respect of equity shares held in dematerialised mode, the nomination form may be filed with the respective DP. For relevant details/forms, please visit the following <https://www.skf.com/in/investors/skf-india-industrial-ltd/shareholder-information>
19. Members holding equity shares in dematerialised mode are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their DP only.
20. SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/131 dated 31st July, 2023, and SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/135 dated 4th August, 2023, read with Master Circular No. SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/145 dated 31st July, 2023 (updated as on 11th August, 2023), has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/the Company directly and through existing SCORES platform, the Members can initiate dispute resolution through the ODR Portal at smartodr.in/login
21. 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.

22. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below

A. Instructions for Members for Attending the AGM through VC/OAVM:

- (i) The Company shall be providing a two-way teleconferencing facility for the ease of participation of the members.
- (ii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restrictions on the first come first served basis.
- (iii) The facility for joining AGM through VC/OAVM will be opened 15 minutes before the scheduled time i.e. 2:45 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 2nd 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 industrialindia@skf.com in advance.

Notice of 2nd Annual General Meeting (contd.)

23. 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.

24. 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 **Thursday, 6th August, 2026**

25. 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. Thursday, 6th August, 2026** shall be entitled to avail of the facility of remote e-voting/e-voting facility during the AGM. Any person who is not a member as on the Cut-off date should treat this notice for information purpose only.

The Members can opt for only one mode of voting i.e. remote e-Voting or e-voting at the AGM. In the case of voting by both modes, vote cast through remote e-Voting will be considered final and e-Voting at the AGM will not be considered.

26. The remote e-voting facility will be available during the following period for all the members (both days inclusive):

(a) Commencement of remote e-voting:	9 th August, 2026 (Sunday) at 9:00 a.m. (IST)
(b) End of remote e-voting:	12 th August, 2026 (Wednesday) at 5:00 p.m. (IST)

27. During this period, Members holding shares 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.

28. The Board of Directors of the Company has appointed Mr. Jayavant B Bhawe (Membership FCS 4266/CP 3068) of M/s J. B. Bhawe 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.

29. 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 authorised 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/skf-india-industrial-ltd/shareholder-information> 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.

30. 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

31. 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.mufig.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.

Notice of 2nd Annual General Meeting (contd.)

32. 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.
33. 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 Thursday, 6th August, 2026. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date shall be entitled to avail the facility of e-voting, as well as voting at the meeting through electronic voting system.
34. 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 Thursday, 6th August, 2026) may obtain the login id and password by sending a request at evoting@nsdl.com. However, if he/she is already registered with NSDL for e-voting then he/she can use his/her existing User ID and password for casting vote. If you forget your password, you can reset your password by using "Forgot user Details/Password" option or "Physical User Reset Password?" available on www.evoting.nsdl.com. If you are already registered with NSDL for e-voting, then you can use your existing User ID and Password/PIN for casting your vote.
35. In case Shareholders are holding shares in demat mode, USER ID is the combination of (DPID + Client ID).

36. 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 Sunday, 9th August, 2026 at 9:00 A.M. and ends on Wednesday, 12th August, 2026 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. Thursday, 6th August, 2026 may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date being, Thursday, 6th August, 2026

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

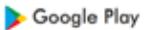
A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 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.

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.	- 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. - 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.

Notice of 2nd Annual General Meeting (contd.)

Type of shareholders	Login Method
	- 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 - 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. - 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  
Individual Shareholders holding securities in demat mode with CDSL	- 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. - 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. - 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. - 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.

Notice of 2nd Annual General Meeting (contd.)

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 use 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

Notice of 2nd Annual General Meeting (contd.)

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 authorised 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

Notice of 2nd Annual General Meeting (contd.)

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 industrialindia@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 industrialindia@SKF.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained in 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 industrialindia@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 industrialindia@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.

Notice of 2nd Annual General Meeting (contd.)

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. Sujeeth Pai (DIN: 07763929) who retires by rotation at this Annual General Meeting in terms of Section 152(6) of the Companies Act, 2013 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. Sujeeth Pai (DIN: 07763929) as Additional Director, Whole Time Director of the Company with effect from 1st October, 2025 and the Members had approved his appointment as a Whole Time Director of the Company with effect from 1st October, 2025, at 2nd Extra Ordinary General meeting held on 15th October, 2025. Mr. Sujeeth Pai, 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. Sujeeth Pai (DIN: 07763929.), 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. Sujeeth Pai 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. Sujeeth Pai 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 consider and approve the Appointment of M/s J. B. Bhawe & Co., Practicing Company Secretary as the Secretarial Auditor of the Company for a Period of Five Years i.e. from the Financial Year 2026-27 to the Financial Year 2030-31.

Pursuant to the Scheme of Arrangement between SKF India Limited ('SKF India' or the 'Demerged Company') and SKF India (Industrial) Limited ('SKF Industrial' or the 'Resulting Company') and their respective shareholders and creditors ('Scheme') providing the demerger of Industrial business. The Scheme was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench vide its Order dated 26th September, 2025 and the appointed date of the Scheme was 1st October, 2025.

As per the Scheme, company subsequently got listed on stock exchanges on 5th December, 2025 and the SEBI Listing Obligations and Disclosure Requirement became applicable to the Company. Therefore 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, of the Secretarial Auditor for a term of Five Years, 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 12th May, 2026, proposed & recommended the appointment of Mr. Jayavant B. Bhawe, Practicing Company Secretary (FCS 4266; CP No. 3068, Peer Review Certificate No. 7781/2026), who is a sole proprietor of J. B. Bhawe & 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, 2026, for a period of one term of five consecutive years, that will conclude on 31st March, 2031, 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

Notice of 2nd Annual General Meeting (contd.)

specified under the Companies Act, 2013 and by the SEBI. The Company has received a written confirmation/consent letter from Mr. Jayavant B. Bhawe, 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 - H**.

The SEBI (LODR) (Third Amendment) Regulations, 2024, 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. 4 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. 5**To approve Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, a fellow subsidiary and SKF Group Company**

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF GmbH, Schweinfurt, Germany is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per provisions of Regulation 23 pertaining to Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. "Where the listed entity having Consolidated Turnover upto INR 20,000 Crores a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial

statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is considered. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 ('SEBI Circular'). The Standards were 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.

It was proposed to enter into a contract with SKF GmbH, Schweinfurt, Germany for 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, Technical and Service Income and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, in aggregate, does not exceed MINR 6,400 during the aforesaid period. This makes it a material-related party transaction.

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.

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company 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 - 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

Notice of 2nd Annual General Meeting (contd.)

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 12th May, 2026, on the recommendation & approval 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 Mr. Ajay Naik (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, a fellow subsidiary and SKF Group Company

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Engineering & Lubrication India Private Limited is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR"). As per provisions of Regulation 23 pertaining to Related

Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. "Where the listed entity having Consolidated Turnover upto INR 20,000 Crores a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is used. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 ('SEBI Circular'). The Standards were also presented before the Audit Committee/Independent Directors and Board of Directors for its approval (which has been duly approved and recommended to the Shareholders for approval) is provided as **Annexure - C** to this notice.

It was proposed to enter into a contract with SKF Engineering & Lubrication India Private Limited for transactions related to Loan, Interest Income on Loan to related party, Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods, Rent Income on lease property, Reimbursements Paid, Reimbursements Received Technical and Service Income and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party

Notice of 2nd Annual General Meeting (contd.)

Transactions with SKF Engineering & Lubrication India Private Limited, in aggregate, does not exceed MINR 12,071 (including loan of 2500 MINR) during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company 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 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 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 12th May, 2026, on the recommendation & approval 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. 6 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 Mr. Ajay Naik (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 approve Material Related Party Transactions with SKF Sverige AB, a fellow subsidiary and SKF Group Company**

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Sverige AB is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per provisions of Regulation 23 pertaining to Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. "Where the listed entity having Consolidated Turnover upto INR 20,000 Crores a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is used. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced

Notice of 2nd Annual General Meeting (contd.)

the Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction” (‘Standards’) to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 (‘SEBI Circular’). The Standards were 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.

It was proposed to enter into a contract with SKF Sverige AB for transactions related to Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Technical and Service Income and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF GmbH, Schweinfurt, Germany, in aggregate, does not exceed MINR 4,125 during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company.

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm’s length basis and in the ordinary course of business of the Company and also plays significant role in the Company’s business operations and accordingly the Board recommends the Ordinary Resolution set forth in Item No. 7 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 - 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 12th May, 2026, on the recommendation & approval 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. 7 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 Mr. Ajay Naik (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. 8 for the approval of the Members of the Company.

Item No. 8

To approve Material Related Party Transactions with SKF AB SWEDEN, Ultimate Holding Company

The Company is a subsidiary of Aktiebolaget SKF (‘AB SKF’). Since AB SKF being ultimate holding company is a ‘Related Party’ as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’).

As per provisions of Regulation 23 pertaining to Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR’), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. “Where the listed entity having Consolidated Turnover

Notice of 2nd Annual General Meeting (contd.)

upto INR 20,000 Crores a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

Further in case of transaction related to Royalty, then as per the Regulation 23(1A) of the LODR, transactions involving payments to a related party with respect to brand usage or royalty during a financial year shall be considered material only if it exceeds 5% of the annual consolidated turnover of the Company as per the last audited financial statements.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is used. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 ('SEBI Circular'). The Standards were 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 – E** to this notice.

It was proposed to enter into a contract with AB SKF for transactions related to Contract for Administrative and Service Fees, IT Services, Purchase of Raw Material, components, spares and Finished Goods, Royalty, Reimbursements Received, Trademark Fees, Technical and Service Income and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with AB SKF, in aggregate, does not exceed MINR 4,647 during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/arrangement(s)/

transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company and also plays significant role in the Company's business operations and accordingly the Board recommends the Ordinary Resolution set forth in Item No. 8 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 - E**, 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 12th May, 2026, on the recommendation & approval 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. 8 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

Notice of 2nd Annual General Meeting (contd.)

Joakim Landholm and Mr. Ajay Naik (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. for the approval of the Members of the Company.

Item No. 9

To approve Material Related Party Transactions with SKF India Limited, a fellow subsidiary and SKF Group Company

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF India Limited is also a subsidiary of SKF Vertevo AB and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per provisions of Regulation 23 pertaining to Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. "Where the listed entity having Consolidated Turnover upto INR 20,000 Crores a transaction with a related party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is used. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in

complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 ('SEBI Circular'). The Standards were 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 – F** to this notice.

It was proposed to enter into a contract with SKF India Limited for transactions related to Contract for Administrative & Service Fees, Purchase of Capital Goods and Services, Purchase of Goods and Services, Reimbursements Paid, Reimbursement of expenses paid on behalf of SKF India Limited, ISA Services Provided, ISA Services Received, Refund of deposit received from non consenting customers and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF India Limited, in aggregate, does not exceed MINR 18,180 during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/ arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company.

In compliance to the aforesaid provision of the Act and rules made thereunder and SEBI LODR, aforesaid transactions require approval of the members by way of an ordinary resolution.

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company and also plays significant role in the Company's business operations and accordingly the Board recommends the Ordinary Resolution set forth in Item No. 9 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 - F**, 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

Notice of 2nd Annual General Meeting (contd.)

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 12th May, 2026, on the recommendation & approval 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. 9 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 Mr. Ajay Naik (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. 9 for the approval of the Members of the Company.

Item No. 10**To approve Material Related Party Transactions with SKF Asia Pacific Pte Ltd, a fellow subsidiary and SKF Group Company**

The Company is a subsidiary of Aktiebolaget SKF ("AB SKF"). SKF Asia Pacific Pte Ltd is also a subsidiary of AB SKF and is a 'Related Party' as per the definition under Section 2(76) of the Act and Regulation-2 (1)(zb) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR").

As per provisions of Regulation 23 pertaining to Related Party Transactions under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), Related Party Transactions proposed to be entered fall under threshold limit i.e., if the transaction(s) to be entered into individually or taken together with previous transactions during a Financial Year, exceeds limits as prescribed under Schedule XII of the SEBI LODR, 2015 i.e. "Where the listed entity having Consolidated Turnover upto INR 20,000 Crores a transaction with a related party

shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year exceed 10% of the annual consolidated turnover of the listed entity and require a prior approval from the shareholders of the listed entity and no related party shall vote to approve such resolutions whether the entity is a related party to the particular transaction or not.

As the Company does not have any subsidiaries or associate companies, preparation of consolidated financial statements is not applicable to the Company and hence for determining the materiality threshold for related party transactions, annual standalone turnover of the Company is used. As the said proposed transaction is falling under material related party transactions, it is necessary to obtain the approval of the Members of the Company.

Further, SEBI vide its circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2025/93 dated 26th June, 2025 has introduced the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction" ('Standards') to facilitate uniform approach and assist listed companies in complying with the provisions of Regulation 23 of the SEBI Listing Regulations read with the SEBI Circular No. SEBI/HO/CFD/CFD PoD 2/P/CIR/2025/135 dated 13th October, 2025 ('SEBI Circular'). The Standards were 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 – G** to this notice.

It was proposed to enter into a contract with SKF SKF Asia Pacific Pte Ltd for transactions related to Contract for Administrative and Service Fees, Purchase of Raw Material, components, spares and Finished Goods, Technical and Service Income and Sale of Goods and services on a continuous basis for the financial year 2026-27 and thereafter upto the date of the next annual general meeting of the Company to be held for FY 2026-27, such that the maximum value of the Material Related Party Transactions with SKF Asia Pacific Pte Ltd, in aggregate, does not exceed MINR 3,816 during the aforesaid period. This makes it a material-related party transaction. The said contract(s)/ arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company. Further, only those members of the audit committee, who are independent directors, shall approve related party transactions.

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.

Notice of 2nd Annual General Meeting (contd.)

The said contract(s)/arrangement(s)/transaction(s) shall be carried out at arm's length basis and in the ordinary course of business of the Company and also plays significant role in the Company's business operations and accordingly the Board recommends the Ordinary Resolution set forth in Item No. 10 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 - G**, 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 12th May, 2026, on the recommendation & approval 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. 10 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 Mr. Ajay Naik (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. 10 for the approval of the Members of the Company.

Item No. 11

To consider and approve the remuneration of the Cost Auditors for the Financial Year 2026-27.

Pursuant to the provisions of Section 148 of Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, the Company is required to have its cost records audited by Cost Accountant in practice. Accordingly, the Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment of M/s. Joshi Apte and Associates, Cost Accountants, having Firm Registration No. 000240 as Cost Auditors of the Company for the Financial Year 2026-27 at its Board meeting held on 12th May, 2026 at a remuneration INR 2,50,000/- (Two Lakhs 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 - H**.

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 approved by the Members of the Company. Accordingly, the consent of the Members is sought by way of an Ordinary Resolution to approve the remuneration payable to the Cost Auditors for the FY 2026-27.

The Board accordingly recommends the Ordinary Resolution as set out at Item No. 11 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. 12

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 2nd Extra Ordinary General Meeting held on 15th October, 2025 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

Notice of 2nd Annual General Meeting (contd.)

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 INR 2,833,724/- (Rupees Twenty-eight Lakhs thirty-three thousand seven hundred twenty-four only.) has been proposed for Mr. Gopal Subramanyam, for devoting his valuable time to the organisation. Accordingly, the Board of Directors on the recommendation of the Nomination and Remuneration Committee have recommended a higher amount of commission to him in the capacity of Non-Executive Independent Director as compared to other Non-Executive Directors. Pursuant to Regulation 17(6)(ca) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval of shareholders by special resolution is required to be obtained every Financial Year, in which the annual remuneration payable to a single Non-Executive Director exceeds fifty per cent of the total annual remuneration payable to all Non-Executive

Directors. Since the commission amount payable to Mr. Gopal Subramanyam exceeds fifty per cent of the total remuneration payable to all Non-Executive Directors for the year 2025-26, the approval of the shareholders is sought by way of special resolution. Considering the role that he is expected to play, the Board believes that the commission payable to Mr. Gopal Subramanyam is commensurate with the efforts and the time spent by him on behalf of the Company.

Accordingly, the Board has recommended a commission payable to Mr. Gopal Subramanyam for the Financial Year 2025-26 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. 12 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 (Industrial) Limited

Poorva Bang
Company Secretary & Compliance Officer
Membership No.: A54596

Registered Office:
Chinchwad Gaon, Chinchwad, Pune 411033, Maharashtra, India

CIN No.: L28140PN2024PLC236396

E-mail: industrialindia@skf.com

Website: <https://www.skf.com/in/investors/skf-india-industrial-ltd>

Telephone No.: 020 66112501

Date: 12th May, 2026

Annexure – A

Information pursuant to the Regulation 36(3) of 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 2nd Annual General Meeting

Name of the Director	Mr. Sujeeth Pai
Director Identification Number	07763929
Date of Birth (age)	13 th October, 1981 (44 years old)
Nationality	Indian
Date of first Appointment on Board of the Company	1 st October, 2025
Qualification	Mechanical Engineering degree from P.E.S.I.T, Bangalore, and an MBA from ISB, Hyderabad,
Experience	Overall 20 years of multidimensional experience in driving growth and profitability through employee, partner and customer success. He also has rich experience from building proof of concepts, providing technical support to successfully delivering double digit growth for businesses, leading P&L across the region.
Terms & conditions of appointment/re-appointment	As per the appointment letter
Remuneration sought to be paid	As per Agreement
Remuneration last drawn	As mentioned in Corporate Governance Report
Number of Board Meeting attended during the FY 2025-26	2
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 (Industrial) 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

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management																		
A(1): Basic details of the related party:																				
1.	Name of the related party	SKF GMBH																		
2.	Country of incorporation of the related party	Germany																		
3.	Nature of business of the related party	SKF GMBH is engaged primarily in industrial manufacturing and engineering activities, especially related to mechanical components and industrial solutions.																		
A(2): Relationship and ownership of the related party:																				
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF GMBH is a wholly owned subsidiary of AB SKF, which is promoter of SKF India (Industrial) Limited. Not applicable Not applicable SKF GmbH does not hold any shares in SKF India (Industrial) Limited.																		
A(3): Details of previous transactions with the related party:																				
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Technical & Service Income</td><td>0.28</td></tr> <tr> <td>2.</td><td>Purchase of Raw Material and components</td><td>1,690.8</td></tr> <tr> <td>3.</td><td>Purchase of Capital Goods & Services</td><td>5.82</td></tr> <tr> <td>4.</td><td>Reimbursement received</td><td>0.34</td></tr> <tr> <td>5.</td><td>Sale of trading goods</td><td>19.23</td></tr> </table>	S. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Technical & Service Income	0.28	2.	Purchase of Raw Material and components	1,690.8	3.	Purchase of Capital Goods & Services	5.82	4.	Reimbursement received	0.34	5.	Sale of trading goods	19.23
S. No.	Nature of Transactions	FY 2025-26 (MINR)																		
1.	Technical & Service Income	0.28																		
2.	Purchase of Raw Material and components	1,690.8																		
3.	Purchase of Capital Goods & Services	5.82																		
4.	Reimbursement received	0.34																		
5.	Sale of trading goods	19.23																		

¹The term “subsidiary”, is as defined under LODR Regulations.

²The term “control” is as defined under LODR Regulations.

³The term “relative” is as defined under LODR Regulations.

Annexure – B (contd.)

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	822 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	6,400 MINR								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	19% (As consolidated turnover is not applicable, standalone turnover is considered)								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not applicable								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	5%								
6.	Financial performance of the related party for the immediately preceding financial year: Explanations: <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i>	<table><tr><th>Particulars</th><th>2025 (MEUR)</th></tr><tr><td>Turnover</td><td>1,294</td></tr><tr><td>Profit After Tax</td><td>36</td></tr><tr><td>Net worth</td><td>836</td></tr></table>	Particulars	2025 (MEUR)	Turnover	1,294	Profit After Tax	36	Net worth	836
Particulars	2025 (MEUR)									
Turnover	1,294									
Profit After Tax	36									
Net worth	836									

A(5): Basic details of the proposed transaction:

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: - Reimbursements paid. - Sale of Goods & Services. - Administrative & service fees. - Purchase of Capital Goods & Services. - Technical and Service income. - Purchase of Raw Material, components, spares and Finished Goods.
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Annexure – B (contd.)

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT			
S. No.	Particulars of the information	Information provided by the management	
2.	Details of each type of the proposed transaction	Nature of Transaction	Approval sought (INR in Million)
		Reimbursements paid	0.75
		Technical & Service income	0.96
		Sale of Goods & Services.	849.75
		Administrative & service fees.	5
		Purchase of Raw Material, components, spares & finished goods	5,544.11
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	6,400 MINR	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	<i>Considering the strong business alignment within the SKF Group, RPTs with SKF GmbH provide access to global technology, products, and engineering expertise, leading to operational efficiency, cost optimization, and enhanced competitiveness, and are in the ordinary course of business at arm's length.</i>	
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <u>Explanation:</u> Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable	
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

Annexure – B (contd.)

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT
B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	<i>These transactions arise from routine business requirements and are conducted under terms consistent with industry standards and market conditions. Given that SKF GmbH is fellow subsidiary Company and selected based on Group synergies, technical expertise and supply chain alignment. Based on the above, the Management has determined that inviting bids would not yield any meaningful advantage in executing RPTs with SKF GmbH.</i>
2.	Basis of determination of price.	<i>The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including the OECD Guidelines and the provisions of the Income-tax Act and the Income-tax Rules.</i>
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	a. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary: Not Applicable

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary: Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

B(6): Disclosure only in case of transactions relating to 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.: Not Applicable

B(7): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:
Not Applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:
Not Applicable

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

C(5): Disclosure only in case of 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: Not Applicable

C(6): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

Annexure – C

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management																								
A(1): Basic details of the related party:																										
1.	Name of the related party	SKF Engineering and Lubrication India Private Limited ('SKF Engineering') or SELIPL																								
2.	Country of incorporation of the related party	India																								
3.	Nature of business of the related party	SKF Engineering is engaged primarily in the business of rendering industrial Engineering services, designing and manufacturing of lubrication systems.																								
A(2): Relationship and ownership of the related party:																										
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF Engineering & Lubrication India Private Limited and SKF India (Industrial) Limited ('SKF Industrial' or the 'Company') are fellow subsidiaries. SKF Engineering is a wholly owned subsidiary of AB SKF, which is also the holding company of SKF Industrial. Not applicable Not applicable SKF Engineering does not hold any direct or indirect shareholding in SKF Industrial.																								
A(3): Details of previous transactions with the related party:																										
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>Sr. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Reimbursements paid</td><td>19.88</td></tr> <tr> <td>2.</td><td>Technical & Service Income</td><td>40.42</td></tr> <tr> <td>3.</td><td>Rent Income and leased property</td><td>22.20</td></tr> <tr> <td>4.</td><td>Interest Income on Loan to related party</td><td>64.60</td></tr> <tr> <td>5.</td><td>Reimbursements Received</td><td>15.1</td></tr> <tr> <td>6.</td><td>Purchase of trading goods</td><td>2,215.1</td></tr> <tr> <td>7.</td><td>Loan to SKF Engineering</td><td>1,576.0</td></tr> </table>	Sr. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Reimbursements paid	19.88	2.	Technical & Service Income	40.42	3.	Rent Income and leased property	22.20	4.	Interest Income on Loan to related party	64.60	5.	Reimbursements Received	15.1	6.	Purchase of trading goods	2,215.1	7.	Loan to SKF Engineering	1,576.0
Sr. No.	Nature of Transactions	FY 2025-26 (MINR)																								
1.	Reimbursements paid	19.88																								
2.	Technical & Service Income	40.42																								
3.	Rent Income and leased property	22.20																								
4.	Interest Income on Loan to related party	64.60																								
5.	Reimbursements Received	15.1																								
6.	Purchase of trading goods	2,215.1																								
7.	Loan to SKF Engineering	1,576.0																								

¹The term "subsidiary", is as defined under LODR Regulations.

²The term "control" is as defined under LODR Regulations.

³The term "relative" is as defined under LODR Regulations.

Annexure – C (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT										
S. No.	Particulars of the information	Information provided by the management								
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	1,058 MINR								
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No								
A(4): Amount of the proposed transaction:										
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	12,070.9 MINR								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	35%(As consolidated turnover is not applicable, standalone turnover is considered)								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	118%								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	Not applicable								
6.	Financial performance of the related party for the immediately preceding financial year: Explanations: The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.	<table><tr><th>Particulars</th><th>FY 2025-26 (MINR)</th></tr><tr><td>Turnover</td><td>10,253.2</td></tr><tr><td>Profit After Tax</td><td>1,095.6</td></tr><tr><td>Net worth</td><td>5,698.6</td></tr></table>	Particulars	FY 2025-26 (MINR)	Turnover	10,253.2	Profit After Tax	1,095.6	Net worth	5,698.6
Particulars	FY 2025-26 (MINR)									
Turnover	10,253.2									
Profit After Tax	1,095.6									
Net worth	5,698.6									
A(5): Basic details of the proposed transaction:										
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: 1. Reimbursements Received. 2. Rent income and leased property. 3. Sale of Goods and services. 4. Loan to SKF Engineering. 5. Technical and Service income. 6. Interest Income on Loan to related party. 7. Purchase of Capital Goods and Services, Purchase of Raw Material, components, spares and Finished Goods. 8. Reimbursements Paid								

Annexure – C (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT			
S. No.	Particulars of the information	Information provided by the management	
2.	Details of each type of the proposed transaction	Nature of Transaction	Approval sought (INR in Million)
		Interest income on loan to related party	213.28
		Purchase of capital goods & services	27.52
		Purchase of Raw Material, components, spares & finished goods	9,098.68
		Reimbursement received	34.2
		Reimbursement paid	32.9
		Rent income on leased property	82.04
		Sale of goods & services	0.05
		Technical & Service income	82.3
		Loan	2,500
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	12,070.9 MINR	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	<i>These related party transactions (RPTs) are crucial for ensuring seamless integration within the Group. They are governed by established Group policies and internal controls, which are designed to ensure that all transactions are conducted strictly at arm's length. Given the strategic significance of these transactions in leveraging Group synergies, operational efficiency, and maintaining operational efficiency, product integration, and within the Group. The Management believes that entering into such RPTs is in the best interests of the listed entity.</i>	
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable	
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	<i>These transactions are in the Ordinary course of business and arise from routine business requirements. The same are conducted under terms consistent with industry standards and market conditions. Based on the above, the Management has determined that inviting bids would not yield any meaningful advantage in executing RPTs with SKF Engineering.</i>
2.	Basis of determination of price.	<i>The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including the OECD Guidelines and the provisions of the Income-tax Act and the Income-tax Rules.</i>
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	b. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1.	Source of funds in connection with the proposed transaction. <i>Note: This item of disclosure is not applicable to listed banks/NBFCs/insurance companies/housing finance companies.</i>	<i>As part of the demerger of SKF India Limited, the Industrial business has been transferred to SKF India (Industrial) Limited. SKF India had originally approved a loan facility of MINR 2,500 to SKF Engineering. Out of this approved limit, MINR 1,576 had already been availed by SKF Engineering. This loan formed part of the assets of the Industrial business and was transferred to SKF India (Industrial) Limited pursuant to the demerger. For future loan requirements, if any Company intends to utilize the remaining approved limit of MINR 924 million, for which the Company intends to utilize its own funds.</i>

Annexure – C (contd.)

S. No.	Particulars of the information	Information provided by the management
2.	Where any financial indebtedness is incurred to give loan, inter- corporate deposit or advance, specify the following: <i>Note: This item of disclosure is not applicable to listed banks/NBFCs/insurance companies/housing finance companies.</i>	Not applicable
a.	Nature of indebtedness	Not applicable
b.	Total cost of borrowing	Not applicable
c.	Tenure	Not applicable
d.	Other Details	Not applicable
3.	Rate of interest at which the listed entity or its subsidiary is borrowing from its bankers/other lenders. <i>Note:</i> (1) <i>This item of disclosure is not applicable to listed banks/NBFCs/insurance companies/housing finance companies.</i> (2) <i>Disclosure shall be made of borrowings undertaken by the listed entity with a comparable maturity profile to the loan/ICD being granted by the listed entity.</i>	Not applicable
4.	Proposed interest rate to be charged by listed entity or its subsidiary from the related party.	The proposed interest rate to be charged is 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.
5.	Maturity/due date	The maturity terms of the loan shall be determined based on mutual agreement between the parties, taking into consideration the operational requirements and working capital needs of the borrower. Such terms may be revised from time to time, subject to consent of both parties, to ensure alignment with the business exigencies and liquidity position
6.	Repayment schedule & terms	As per the agreement between the parties, such terms may be revised from time to time.
7.	Whether secured or unsecured?	Secured
8.	If secured, the nature of security & security coverage ratio	The proposed loan together with interest will be secured by first charge by way of hypothecation on all the fixed assets of the borrower and by corporate guarantee given by AB SKF (Ultimate holding company of SKF India (Industrial) Limited and Promoter of SELIPL. No covenants will be there.
9.	The purpose for which the funds will be utilized by the ultimate beneficiary of such funds pursuant to the transaction.	Working capital for day-to-day business operation and capital expansion.

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary:

Not Applicable

Annexure – C (contd.)

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary: Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not applicable

B(6): Disclosure only in case of 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.

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity	As part of the demerger of SKF India Limited, the Industrial business has been transferred to SKF India (Industrial) Limited. The GTCI building, previously leased by SKF India Limited at arm's length pricing, formed part of the assets transferred. Post-demerger, SKF India (Industrial) Limited has leased the GTCI building to SKF Engineering and Lubrication India Private Limited, an entity within the SKF Group. Given the intra-group nature of the transaction and its alignment with the Group's operational requirements, no external bidding or selection process was undertaken. The lease arrangement has been executed at arm's length pricing, consistent with prevailing market rates. Independent valuation and benchmarking of lease rentals were obtained from an external expert to substantiate the pricing and ensure regulatory compliance
2.	Basis of determination of price.	Not applicable
3.	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.	Please refer to comments in Article no. B(6)(1) above.
4.	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
5.	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	Not applicable
	b. Expected impact on net worth	Not applicable
	c. Expected impact on net profits	Not applicable

B(7): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

Annexure – C (contd.)

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1.	Latest credit rating of the related party <i>Note: Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any.</i>	Not applicable
2.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person and value of subsisting default. <i>Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.</i> In addition, state the following: a) Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; b) Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; c) Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; d) Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. <i>Note: Past defaults that are no longer subsisting and have been cured or regularized need not be disclosed.</i>	No such incident occurred
	FY 2024-25	
	FY 2023-24	
	FY 2022-23	

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:

Not Applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:

Not Applicable

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not applicable

Annexure – C (contd.)

C(5): Disclosure only in case of 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:

S. No.	Particulars of the information	Information provided by the management
1.	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.	<i>As part of the demerger of SKF India Limited, the Industrial segment has been transferred to SKF India (Industrial) Limited. The GTCI building, previously leased by SKF India Limited at arm's length pricing, formed part of the assets transferred. Post-demerger, SKF India (Industrial) Limited has leased the GTCI building to SKF Engineering and Lubrication India Private Limited, an entity within the SKF Group. The lease arrangement has been executed at arm's length pricing, consistent with prevailing market rates. Independent valuation and benchmarking of lease rentals were obtained from an external expert to substantiate the pricing and ensure regulatory compliance.</i>
2.	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
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	<i>Not applicable</i>
4.	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
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	Not applicable

C(6): Disclosure only in case of transactions relating to payment of royalty: Not applicable

Annexure – D

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management															
A(1): Basic details of the related party:																	
1.	Name of the related party	SKF Sverige AB															
2.	Country of incorporation of the related party	Sweden															
3.	Nature of business of the related party	SKF Sverige AB is engaged in industrial manufacturing and engineering solutions, primarily in the field of bearings and power transmission equipment.															
A(2): Relationship and ownership of the related party:																	
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF Sverige AB is a wholly owned subsidiary of AB SKF, which is promoter of SKF India (Industrial) Limited. Not applicable Not applicable SKF Sverige AB does not hold any indirect shareholding in SKF India (Industrial) Limited															
A(3): Details of previous transactions with the related party:																	
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Sale of Good and Services</td><td>12.2</td></tr> <tr> <td>2.</td><td>Technical & Service Income</td><td>0.1</td></tr> <tr> <td>3.</td><td>Reimbursement Received</td><td>0.1</td></tr> <tr> <td>4.</td><td>Purchase of Raw Material, components, spares & Finished Goods</td><td>638.8</td></tr> </table>	S. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Sale of Good and Services	12.2	2.	Technical & Service Income	0.1	3.	Reimbursement Received	0.1	4.	Purchase of Raw Material, components, spares & Finished Goods	638.8
S. No.	Nature of Transactions	FY 2025-26 (MINR)															
1.	Sale of Good and Services	12.2															
2.	Technical & Service Income	0.1															
3.	Reimbursement Received	0.1															
4.	Purchase of Raw Material, components, spares & Finished Goods	638.8															
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	249 MINR															

¹The term “subsidiary”, is as defined under LODR Regulations.

²The term “control” is as defined under LODR Regulations.

³The term “relative” is as defined under LODR Regulations.

Annexure – D (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT												
S. No.	Particulars of the information	Information provided by the management										
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No										
A(4): Amount of the proposed transaction:												
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	4,125 MINR										
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes										
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	12% (As consolidated turnover is not applicable, standalone turnover is considered)										
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not applicable										
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	4%										
6.	Financial performance of the related party for the immediately preceding financial year: Explanations: <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i>	<table><tr><th>Particulars</th><th>2025 (MSEK)</th></tr><tr><td>Turnover</td><td>7,888</td></tr><tr><td>Profit After Tax</td><td>-183</td></tr><tr><td>Net worth</td><td>584</td></tr></table>	Particulars	2025 (MSEK)	Turnover	7,888	Profit After Tax	-183	Net worth	584		
Particulars	2025 (MSEK)											
Turnover	7,888											
Profit After Tax	-183											
Net worth	584											
A(5): Basic details of the proposed transaction:												
1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: 1. Administrative and service fees. 2. Purchase of Raw Material, components, spares & Finished Goods. 3. Sales of Goods and Services. 4. Technical and Service Income.										
2.	Details of each type of the proposed transaction	<table><tr><th>Nature of Transaction</th><th>Approval sought (INR in Million)</th></tr><tr><td>Technical & Service income</td><td>0.7</td></tr><tr><td>Sale of Goods & Services.</td><td>233.02</td></tr><tr><td>Administrative & service fees.</td><td>4.64</td></tr><tr><td>Purchase of Raw Material, components, spares & finished goods</td><td>3,887.05</td></tr></table>	Nature of Transaction	Approval sought (INR in Million)	Technical & Service income	0.7	Sale of Goods & Services.	233.02	Administrative & service fees.	4.64	Purchase of Raw Material, components, spares & finished goods	3,887.05
Nature of Transaction	Approval sought (INR in Million)											
Technical & Service income	0.7											
Sale of Goods & Services.	233.02											
Administrative & service fees.	4.64											
Purchase of Raw Material, components, spares & finished goods	3,887.05											

Annexure – D (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT		
S. No.	Particulars of the information	Information provided by the management
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year
4.	Whether omnibus approval is being sought?	Yes
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	4,125 MINR
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	Considering the strong business alignment within the SKF Group, RPTs with SKF Sverige AB enable access to global technology, products, and operational support, leading to efficiency, cost optimization, and business growth, and are in the ordinary course of business at arm's length.
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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. 7
	b. Shareholding of the director/KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 7
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	<i>These transactions arise from routine business requirements and are undertaken within the SKF Group. SKF Sverige AB is a fellow group entity operating under common control of AB SKF and is selected based on its strategic role, technical expertise, and global integration within the group's value chain. The selection is driven by business alignment, standardization, and efficiency considerations rather than a competitive bidding process. All transactions are conducted in the ordinary course of business and at arm's length basis.</i>
2.	Basis of determination of price.	<i>The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including the OECD Guidelines and the provisions of the Income-tax Act and the Income-tax Rules.</i>
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	a. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary: Not Applicable

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary: Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

B(6): Disclosure only in case of transactions relating to 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: Not Applicable

B(7): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

Annexure – D (contd.)

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:
Not applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:
Not applicable

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

C(5): Disclosure only in case of 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: Not Applicable

C(6): Disclosure only in case of transactions relating to payment of royalty: Not applicable

Annexure – E

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management																					
A(1): Basic details of the related party:																							
1.	Name of the related party	SKF AB Sweden																					
2.	Country of incorporation of the related party	Sweden																					
3.	Nature of business of the related party	SKF AB Sweden, is engaged in manufacturing of bearings, seals, lubrication systems, and related services for a wide range of industries including automotive, aerospace, energy, and industrial machinery.																					
A(2): Relationship and ownership of the related party:																							
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF AB Sweden is the promoter of SKF India (Industrial) Limited. Not Applicable. Not Applicable SKF AB Sweden holds 52.58% of share capital in SKF India (Industrial) Limited.																					
A(3): Details of previous transactions with the related party:																							
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Technical & Service Income</td><td>258.2</td></tr> <tr> <td>2.</td><td>IT Services</td><td>480.3</td></tr> <tr> <td>3.</td><td>Purchase of Raw Material, components, spares & Finished Goods</td><td>17.8</td></tr> <tr> <td>4.</td><td>Royalty</td><td>152.6</td></tr> <tr> <td>5.</td><td>Trademark Fees</td><td>101.7</td></tr> <tr> <td>6.</td><td>Technical & Service Expense</td><td>0.24</td></tr> </table>	S. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Technical & Service Income	258.2	2.	IT Services	480.3	3.	Purchase of Raw Material, components, spares & Finished Goods	17.8	4.	Royalty	152.6	5.	Trademark Fees	101.7	6.	Technical & Service Expense	0.24
S. No.	Nature of Transactions	FY 2025-26 (MINR)																					
1.	Technical & Service Income	258.2																					
2.	IT Services	480.3																					
3.	Purchase of Raw Material, components, spares & Finished Goods	17.8																					
4.	Royalty	152.6																					
5.	Trademark Fees	101.7																					
6.	Technical & Service Expense	0.24																					

¹The term “subsidiary”, is as defined under LODR Regulations.

²The term “control” is as defined under LODR Regulations.

³The term “relative” is as defined under LODR Regulations.

Annexure – E (contd.)

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	399 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

Q. 1) Amount of the proposed transaction:										
1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	4,647 MINR								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	13.51% (As consolidated turnover is not applicable, standalone turnover is considered)								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not applicable								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	11%								
6.	Financial performance of the related party for the immediately preceding financial year: <u>Explanations:</u> <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i>	<table><tr><th>Particulars</th><th>For the period January 2025 to December 2025 (MSEK)</th></tr><tr><td>Turnover</td><td>4,389</td></tr><tr><td>Profit After Tax</td><td>6,931</td></tr><tr><td>Net worth</td><td>28,023</td></tr></table>	Particulars	For the period January 2025 to December 2025 (MSEK)	Turnover	4,389	Profit After Tax	6,931	Net worth	28,023
Particulars	For the period January 2025 to December 2025 (MSEK)									
Turnover	4,389									
Profit After Tax	6,931									
Net worth	28,023									

A(5): Basic details of the proposed transaction:

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Sale of Goods & Services, 1. Administrative & service fees, 2. Technical & Service Income, 3. IT Services, 4. Purchase of Raw Material, components, spares & Finished Goods 5. Royalty, 6. Trademark Fees, 7. Reimbursements Received and any other business transactions
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Annexure – E (contd.)

PART A - MINIMUM INFORMATION FOR THE PROPOSED RPT			
S. No.	Particulars of the information	Information provided by the management	
2.	Details of each type of the proposed transaction	Nature of Transaction	Approval sought (INR in Million)
		Reimbursements received	19.55
		Trademark fees	1,006.18
		Technical & Service income	835.04
		Sale of Goods & Services.	0.20
		Administrative & service fees.	13.48
		IT Services	1,329.53
		Purchase of Raw Material, components, spares & finished goods	227.37
		Royalty	1,215.32
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	4,647 MINR	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	The proposed RPTs with SKF AB are integral to Company's ordinary course of business, given the group's integrated operating model, technology framework and centralized support structure. These transactions enable access to raw materials, products, technical know-how, IT and other support services, and help maintain operational continuity, quality standards and alignment with group processes. The Management believes that entering into these transactions is in the interest of the listed entity.	
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <i>Explanation:</i> Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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. 8	
	b. Shareholding of the director/KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 8	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable	
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

Annexure – E (contd.)

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT
B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	These transactions are proposed in the Ordinary course of business and are conducted under terms consistent with industry standards and market conditions. Based on the above, the Management has determined that inviting bids would not yield any meaningful advantage in executing RPTs with SKF AB Sweden.
2.	Basis of determination of price.	The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including the OECD Guidelines and the provisions of the Income-tax Act and the Income-tax Rules.
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	b. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary: Not Applicable

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary: Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not applicable

B(6): Disclosure only in case of transactions relating to 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: Not Applicable

Annexure – E (contd.)

B(7): Disclosure only in case of transactions relating to payment of royalty:

S. No.	Particulars of the information	Information provided by the management
1.	Purpose for which royalty is proposed to be paid to the related party in the current financial year. Note: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, <u>state the key components</u> of such agreements and <u>the reasons</u> royalty attributable to those key components could not be furnished separately.	SKF India (Industrial) Limited, under the Technology License Agreement with AB SKF, accesses advanced production technologies refined through AB SKF's RTD, MPD, and Global Technical Centre. These innovations are continuously shared with SKF India (Industrial) Limited, ensuring technological advancement in operations. SKF India (Industrial) Limited entered into a Trademark License Agreement with AB SKF, granting it a non-exclusive, non-assignable right to use AB SKF's trademarks in India. Under the inter-company agreement, SKF India (Industrial) Limited pays AB SKF a license fee based on a specific percentage of the total net sales price of its manufactured products.
	a. For use of brand name/trademark	<i>Trademark fees account for 55% of the total royalty and trademark fees proposed to be paid.</i>
	b. For transfer of technology know-how	<i>Royalty fees account for 45% of the total royalty and trademark fees proposed to be paid.</i>
	c. For professional fee, corporate management fee or any other fee	<i>Not applicable</i>
	d. Any other use (specify)	<i>Not applicable</i>
	(a) The listed entity may confirm whether the parent company charges royalty at a uniform rate from all group companies in other jurisdiction. (b) If No, furnish information below. If royalty is paid to the parent company, disclose royalty received by the parent company from group entities in other jurisdiction: - Minimum rate of royalty charged along with corresponding absolute amount - Maximum rate of royalty charged along with corresponding absolute amount <i>Note: The disclosure shall be made on a gross basis (Cost to the Company), including taxes paid on behalf of the recipient of royalty.</i>	<i>AB SKF extends technology transfer to other entities within the group, ensuring access to advanced engineering and manufacturing expertise. The cost of this technology transfer is recovered from each entity in the form of royalty payments, aligning with the respective inter-company agreements and intellectual property licensing norms.</i> <i>Royalty rates range from 3% to 4.6%, differing across entities based on technology transfer complexity, product type, and market conditions relevant to each area in which entity operates.</i>
3.	Sunset Clause for Royalty payment, if any.	There is no sunset clause in Royalty Agreement

Annexure – E (contd.)

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:
Not Applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:
Not applicable.

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

C(5): Disclosure only in case of 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: Not Applicable

C(6): Disclosure only in case of transactions relating to payment of royalty:

S. No.	Particulars of the information	Information provided by the management
1.	Gross amount of royalty paid by the listed entity or subsidiary to the related party during each of the last three financial years.	<i>The company was incorporated on 17th December, 2024. Since the company was in existence for less than 3 years, we have provided details for FY 2025-26</i>
	FY 2024-25	152.6 MINR
	FY 2023-24	Not applicable, As three years has not elapsed
	FY 2022-23	Not applicable, As three years has not elapsed
2.	Purpose for which royalty was paid to the related party during the last three financial years. Explanation: For companies with a composite license agreement that includes a bundle of intellectual property rights (IPRs) such as brands, patents, technology and know-how, state the key components of such agreements and the reasons royalty attributable to those key components could not be furnished separately.	Entire royalty is paid for Production Technology
	a. For use of brand name/trademark	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	b. For transfer of technology know-how	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	c. For professional fee, corporate management fee or any other fee	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
	d. Any other use (specify)	<i>As a % of aggregate amount of royalty for the last 3 FYs</i>
3.	Royalty paid in last 3 FYs as % of Net Profits of previous FYs	<i>The company was incorporated on 17th December, 2024. Since the company was in existence for less than 3 years, we have provided details for FY 2025-26</i>
	FY 2024-25	7%
	FY 2023-24	Not Applicable
	FY 2022-23	Not Applicable
4.	Percentage or Rate at which royalty has increased in the past 3 years, if any, vis-à-vis rate at which the turnover and profits after tax have increased during the same period.	Not Applicable

Annexure – E (contd.)

S. No.	Particulars of the information	Information provided by the management		
5.	Peer Comparison: Listed entity or its subsidiary paying royalty for any purpose shall also disclose whether any relevant Industry Peer pays royalties for the same purpose, which is disclosed in its audited annual financial statements for the relevant period:	Refer Below Table		
		Listed Entity/ Subsidiary	Timken India Limited	SKF India Limited
	Royalty payment over last 3 years	152.6	831.87	728.53
	Royalty paid as a % of net profits over the last 3 years	7%	3%	13%
	Annual growth rate of Turnover over last 3 years	NA*	8%	7%
* Company is operation w.e.f. 1 st October, 2025 Explanation: In the case of the payment of, the criteria for comparison with Industry Peers shall be as follows:				
a. The Listed Entity will compare the royalty payment with a minimum of three suitable and relevant Industry Peers (i.e. apple to apple comparable Industry Peers), where feasible.				
b. In cases where fewer than three Industry Peers are available, the listed entity will disclose, that only one or two peers are available for comparison.				
c. If the listed entity is part of any sectoral index, the listed entity is to consider the other constituents of such sectoral index for the purpose of peer comparison which are in similar line of business.				
d. In case there are no Industry Peers, the Listed Entity shall state that no Industry Peers are available for comparison.				

Annexure – F

Minimum information to be provided to the Audit Committee and shareholder for approval of Related Party Transactions as per RPT Industry Standards

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management																											
A(1): Basic details of the related party:																													
1.	Name of the related party	SKF India Limited ('SKF India')																											
2.	Country of incorporation of the related party	India																											
3.	Nature of business of the related party	SKF India Limited is engaged in the manufacturing, distribution, and servicing of bearings, seals, catering to sectors such as automotive, industry.																											
A(2): Relationship and ownership of the related party:																													
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF India Limited and SKF India (Industrial) Limited ('SKF Industrial' or the 'Company') are fellow subsidiaries, with AB SKF as their holding company. Not applicable Not applicable SKF India Limited does not hold shares in SKF India (Industrial) Limited.																											
A(3): Details of previous transactions with the related party:																													
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Purchases of raw materials, components, spares and finished goods</td><td>2,576.3</td></tr> <tr> <td>2.</td><td>Purchases of property, plant and equipment</td><td>828.0</td></tr> <tr> <td>3.</td><td>Sale of trading goods</td><td>2,397.5</td></tr> <tr> <td>4.</td><td>Technical & Service Income</td><td>7.5</td></tr> <tr> <td>5.</td><td>Reimbursements Paid</td><td>1,853.0</td></tr> <tr> <td>6.</td><td>ISA Service Expenses</td><td>1,117.6</td></tr> <tr> <td>7.</td><td>ISA Service Income</td><td>562.7</td></tr> <tr> <td>8.</td><td>Rent Expense on leased property</td><td>52.3</td></tr> </table>	S. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Purchases of raw materials, components, spares and finished goods	2,576.3	2.	Purchases of property, plant and equipment	828.0	3.	Sale of trading goods	2,397.5	4.	Technical & Service Income	7.5	5.	Reimbursements Paid	1,853.0	6.	ISA Service Expenses	1,117.6	7.	ISA Service Income	562.7	8.	Rent Expense on leased property	52.3
S. No.	Nature of Transactions	FY 2025-26 (MINR)																											
1.	Purchases of raw materials, components, spares and finished goods	2,576.3																											
2.	Purchases of property, plant and equipment	828.0																											
3.	Sale of trading goods	2,397.5																											
4.	Technical & Service Income	7.5																											
5.	Reimbursements Paid	1,853.0																											
6.	ISA Service Expenses	1,117.6																											
7.	ISA Service Income	562.7																											
8.	Rent Expense on leased property	52.3																											

¹The term "subsidiary", is as defined under LODR Regulations.

²The term "control" is as defined under LODR Regulations.

³The term "relative" is as defined under LODR Regulations.

Annexure – F (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	5,338 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered into with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	18,180 MINR								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	53%(As consolidated turnover is not applicable, standalone turnover is considered)								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	NA								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	37%								
6.	Financial performance of the related party for the immediately preceding financial year: <i>Explanations:</i> <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i>	<table><tr><th>Particulars</th><th>FY 2025-26 (MINR)</th></tr><tr><td>Turnover</td><td>21,296</td></tr><tr><td>Profit After Tax</td><td>2,660</td></tr><tr><td>Net worth</td><td>13,295</td></tr></table>	Particulars	FY 2025-26 (MINR)	Turnover	21,296	Profit After Tax	2,660	Net worth	13,295
Particulars	FY 2025-26 (MINR)									
Turnover	21,296									
Profit After Tax	2,660									
Net worth	13,295									

A(5): Basic details of the proposed transaction:

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: - Reimbursements paid. - Reimbursements of expenses paid on behalf of SKF India Limited. - ISA services provided. - ISA services received. - Sale of Goods & Services. - Refund of deposit received from non-consenting customer. - Purchase of Goods & Services. - Purchase of Capital Goods & Services.
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Annexure – F (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT			
S. No.	Particulars of the information	Information provided by the management	
2.	Details of each type of the proposed transaction	Nature of Transaction	Approval sought (INR in millions)
		Reimbursements paid.	5,935
		Reimbursements of expenses paid on behalf of SKF India Limited.	1,000
		ISA services provided.	250
		ISA services received.	3500
		Sale of Goods & Services.	5,500
		Refund of deposit received from non-consenting customer.	100
		Purchase of Goods & Services.	1,600
		Purchase of Capital Goods & Services.	294
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	18,180 MINR	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	<i>Given the substantial business alignment and operational interdependencies between SKF India Limited and SKF India (Industrial) Limited, these related party transactions (RPTs) are essential to ensure seamless integration within the group. The transactions are governed by established group policies and internal controls designed to ensure they are conducted strictly on an arm's length basis. Considering the strategic importance of these transactions for leveraging group synergies, operational efficiency, and maintaining consistency in processes within the group, the Management believes that entering into such RPTs is in the best interest of the listed entity.</i>	
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. <u>Explanation:</u> Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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. 9	
	b. Shareholding of the director/KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 9	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable	
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

Annexure – F (contd.)

PART B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	<i>These transactions arise from business alignment between the entities and are conducted within the group's operating framework. Based on the above, the Management has determined that inviting bids would not yield any meaningful advantage in executing RPTs with SKF India.</i>
2.	Basis of determination of price.	<i>The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including the OECD Guidelines and the provisions of the Income-tax Act and the Income-tax Rules.</i>
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	b. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary: Not Applicable

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1.	(a) Rationale for giving guarantee, surety, indemnity or comfort letter	Not applicable*
	(b) Whether it will create a legally binding obligation on listed entity?	Yes
2.	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**

Annexure – F (contd.)

S. No.	Particulars of the information	Information provided by the management
3.	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

*SKF India Limited has issued bank guarantees in respect of non-consenting customers of the Industrial business. Any liabilities arising from these bank guarantees will be recovered from SKF Industrial.

**The Company will not charge any commission for the bank guarantees issued in respect of the non-consenting customers of the Industrial business. Any bank guarantee commission paid for the issuance of these guarantees will be recovered from SKF Industrial, and any liabilities arising therefrom will also be recovered from SKF Industrial

Notes:

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

B(6): Disclosure only in case of transactions relating to 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.

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, lease or disposal of assets of subsidiary or of unit, division or undertaking of the listed entity	Company has entered into an Interim Service Agreement with SKF India Limited to provide services (including leasing premises, subleasing certain assets, and leasing assets.). As the transaction is intra-group and aligned with the business requirements of the group, no bidding or external selection process was undertaken. The transaction was executed at arm's length pricing, consistent with prevailing market rates. Lease rentals have been charged according to lease rates obtained from an external expert.
2.	Basis of determination of price.	Refer above comment
3.	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.	Refer above comment
4.	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
5.	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	Not applicable
	b. Expected impact on net worth	Not applicable
	c. Expected impact on net profits	Not applicable

B(7): Disclosure only in case of transactions relating to payment of royalty: Not applicable

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary: Not applicable

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:
Not applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:

S. No.	Particulars of the information	Information provided by the management
1.	If guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter is given in connection with the borrowing by a related party, provide latest credit rating of the related party. Note: a. Standalone rating to be provided while option to provide structured obligation rating (SO rating) and credit enhancement rating (CE rating), if any. b. This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request.	Not applicable. SKF India Limited has given the Bank guarantees for non-consenting customers for Industrial business for which the liability arises, if any, the same will be recovered from SKF Industrial
2.	Details of solvency status and going concern status of the related party during the last three financial years:	SKF India is having positive cashflow and profit for last 3 years. Further, refer below table for positive net worth of last 3 years. Based on the details, there is no risk of going concern.
	<i>FY 2024-25</i>	Net worth 13,294 MINR
	<i>FY 2023-24</i>	Net worth 25,979 MINR
	<i>FY 2022-23</i>	Net worth 26,828 MINR
3.	The value of obligations undertaken by the listed entity or any of its subsidiary, for which a guarantee, performance guarantee (in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such 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

Annexure – F (contd.)

S. No.	Particulars of the information	Information provided by the management
4.	Default on borrowings, if any, over the last three financial years, by the related party from the listed entity or any other person. Note: This information may be provided to the extent it is available in the public domain or as may be provided by the related party upon request. In addition, state the following: - Whether the account of the related party has been classified as a non-performing asset (NPA) by any of its bankers and whether such status is currently subsisting; - Whether the related party has been declared a “wilful defaulter” by any of its bankers and whether such status is currently subsisting; - Whether the related party is undergoing or facing any application for commencement of an insolvency resolution process or liquidation; - Whether the related party, not being an MSME, suffers from any of the disqualifications specified under Section 29A of the Insolvency and Bankruptcy Code, 2016. Note: Past defaults that are no longer subsisting and have been cured or regularised need not be disclosed.	Not applicable

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not applicable

C(5): Disclosure only in case of 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:

S. No.	Particulars of the information	Information provided by the management
1.	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.	Company has, has entered into an Interim Service Agreement with SKF India Limited to provide services (including leasing premises, subleasing certain assets, and leasing assets). The transaction is intra-group and aligned with the business requirements of the group and was executed at arm's length pricing, consistent with prevailing market rates. Lease rentals have been charged according to lease rates obtained from an external expert.
2.	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
3.	Would the transaction result in eliminating a segment reporting by the listed entity or any of its subsidiary?	Not applicable
4.	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
5.	Are there any other major non-financial reasons for going ahead with the proposed transaction?	Not applicable

C(6): Disclosure only in case of transactions relating to payment of royalty: Not applicable

Annexure – G

Minimum information to be provided to the Audit Committee and shareholder for approval of
Related Party Transactions as per RPT Industry Standards:

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT																	
S. No.	Particulars of the information	Information provided by the management															
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	Singapore															
3.	Nature of business of the related party	SKF Asia Pacific Pte Ltd, specializes in the wholesale distribution of industrial products such as bearings, seals, lubrication systems, linear motion components, and condition monitoring equipment. It supports a wide range of industries including manufacturing, automotive, aerospace, and energy by offering both products and value-added services like reliability engineering, maintenance consulting, logistics solutions, and customer training.															
A(2): Relationship and ownership of the related party:																	
1.	Relationship between the listed entity/subsidiary ¹ (in case of transaction involving the subsidiary) and the related party – including nature of its concern (financial or otherwise) and the following: - Shareholding of the listed entity/subsidiary (in case of transaction involving the subsidiary), whether direct or indirect, in the related party. - Where the related party is a partnership firm or a sole proprietorship concern or a body corporate without share capital, then capital contribution, if any, made by the listed entity/subsidiary (in case of transaction involving the subsidiary). - 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 listed entity/Subsidiary/related party has control². While calculating indirect shareholding, shareholding held by relatives³ shall also be considered.	SKF Asia Pacific Pte Ltd is a wholly owned subsidiary of AB SKF, which is promoter of SKF India (Industrial) Limited. Not applicable Not applicable SKF Asia Pacific Pte Ltd does not hold any shares in SKF India (Industrial) Limited.															
A(3): Details of previous transactions with the related party:																	
1.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party during the last financial year. Explanation: Details need to be disclosed separately for listed entity and its subsidiary.	<table> <tr> <th>S. No.</th><th>Nature of Transactions</th><th>FY 2025-26 (MINR)</th></tr> <tr> <td>1.</td><td>Sale of goods & services</td><td>408.8</td></tr> <tr> <td>2.</td><td>Technical & service income</td><td>2.9</td></tr> <tr> <td>3.</td><td>Purchase of Raw Material, components, spares & Finished Goods</td><td>1,044.7</td></tr> <tr> <td>4.</td><td>Reimbursements received</td><td>11.2</td></tr> </table>	S. No.	Nature of Transactions	FY 2025-26 (MINR)	1.	Sale of goods & services	408.8	2.	Technical & service income	2.9	3.	Purchase of Raw Material, components, spares & Finished Goods	1,044.7	4.	Reimbursements received	11.2
S. No.	Nature of Transactions	FY 2025-26 (MINR)															
1.	Sale of goods & services	408.8															
2.	Technical & service income	2.9															
3.	Purchase of Raw Material, components, spares & Finished Goods	1,044.7															
4.	Reimbursements received	11.2															

¹The term "subsidiary", is as defined under LODR Regulations.

²The term "control" is as defined under LODR Regulations.

³The term "relative" is as defined under LODR Regulations.

Annexure – G (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT

S. No.	Particulars of the information	Information provided by the management
2.	Total amount of all the transactions undertaken by the listed entity or subsidiary with the related party in the current financial year up to the quarter immediately preceding the quarter in which the approval is sought.	682 MINR
3.	Any default, if any, made by a related party concerning any obligation undertaken by it under a transaction or arrangement entered with the listed entity or its subsidiary during the last financial year.	No

A(4): Amount of the proposed transaction:

1.	Amount of the proposed transactions being placed for approval in the meeting of the Audit Committee/ shareholders.	3,816 MINR								
2.	Whether the proposed transactions taken together with the transactions undertaken with the related party during the current financial year would render the proposed transaction a material RPT?	Yes								
3.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	11% (As consolidated turnover is not applicable, standalone turnover is considered)								
4.	Value of the proposed transactions as a percentage of subsidiary's annual standalone turnover for the immediately preceding financial year (in case of a transaction involving the subsidiary and where the listed entity is not a party to the transaction)	Not applicable								
5.	Value of the proposed transactions as a percentage of the related party's annual consolidated turnover (if consolidated turnover is not available, calculation to be made on standalone turnover of related party) for the immediately preceding financial year, if available.	20%								
6.	Financial performance of the related party for the immediately preceding financial year: <u>Explanations:</u> <i>The above information is to be given on standalone basis. If standalone is not available, provide on consolidated basis.</i>	<table><tr><th>Particulars</th><th>For the period January 2025 to December 2025 (MSGD)</th></tr><tr><td>Turnover</td><td>266</td></tr><tr><td>Profit After Tax</td><td>6</td></tr><tr><td>Net worth</td><td>93</td></tr></table>	Particulars	For the period January 2025 to December 2025 (MSGD)	Turnover	266	Profit After Tax	6	Net worth	93
Particulars	For the period January 2025 to December 2025 (MSGD)									
Turnover	266									
Profit After Tax	6									
Net worth	93									

A(5): Basic details of the proposed transaction:

1.	Specific type of the proposed transaction (e.g. sale of goods/services, purchase of goods/services, giving loan, borrowing etc.)	Transactions related to: 1. Sale of Goods & Services. 2. Administrative & service fees. 3. Purchase of Raw Material, components, spares & finished goods. 4. Purchase of Goods & Services. 5. Technical & Service Income
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Annexure – G (contd.)

PART A - MINIMUM INFORMATION OF THE PROPOSED RPT			
S. No.	Particulars of the information	Information provided by the management	
2.	Value of the proposed transactions as a percentage of the listed entity's annual consolidated turnover for the immediately preceding financial year	Nature of Transaction	Approval sought (INR in Million)
		Technical & Service income	9.64
		Sale of Goods & Services.	1,335.12
		Purchase of Raw Material, components, spares & finished goods	2,471.14
3.	Tenure of the proposed transaction (tenure in number of years or months to be specified)	1 Year	
4.	Whether omnibus approval is being sought?	Yes	
5.	Value of the proposed transaction during a financial year. If the proposed transaction will be executed over more than one financial year, provide estimated break-up financial year-wise.	3,816 MINR	
6.	Justification as to why the RPTs proposed to be entered into are in the interest of the listed entity	These related party transactions (RPTs) are crucial for ensuring seamless integration within the Group. They are governed by globally established Group policies and internal controls, which are designed to ensure that all transactions are conducted strictly at arm's length. Given the strategic significance of these transactions in leveraging Group synergies, facilitating technology transfer, and maintaining operational efficiency, product integration, and consistent quality standards, the Management believes that entering into such RPTs is in the best interests of the listed entity.	
7.	Details of the promoter(s)/director(s)/key managerial personnel of the listed entity who have interest in the transaction, whether directly or indirectly. Explanation: Indirect interest shall mean interest held through any person over which an individual has control.	None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives except Mr. Karl Robin Joakim Landholm and Mr. Ajay Naik (being employed by AB SKF/SKF Group) are 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. 10	
	b. Shareholding of the director/KMP, whether direct or indirect, in the related party	As mentioned in the explanatory statement in item no. 10	
8.	A copy of the valuation or other external party report, if any, shall be placed before the Audit Committee.	Not Applicable	
9.	Other information relevant for decision making.	All important information forms part of the statement setting out material facts, pursuant to Section 102(1) of the Companies Act, 2013 forming part of this Notice.	

Annexure – G (contd.)

Part B - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT

B(1): Disclosure only in case of transactions relating to sale, purchase or supply of goods or services or any other similar business transaction and trade advances:

S. No.	Particulars of the information	Information provided by the management
1.	Bidding or other process, if any, applied for choosing a party for sale, purchase or supply of goods or services	These transactions are in the ordinary course of business and arise from routine business requirements and are conducted under terms consistent with industry standards and market conditions. Based on the above, the Management has determined that inviting bids would not yield any meaningful advantage in executing RPTs with SKF Asia Pacific Pte Ltd.
2.	Basis of determination of price.	The pricing mechanism for related party transactions ("RPTs") of the Company is based on the Arm's Length Principle, in line with generally accepted guidelines including
3.	In case of Trade advance (of up to 365 days or such period for which such advances are extended as per normal trade practice), if any, proposed to be extended to the related party in relation to the transaction, specify the following:	Not applicable
	a. Amount of Trade advance	Not applicable
	b. Tenure	Not applicable
	c. Whether same is self-liquidating?	Not applicable

B(2): Disclosure only in case of transactions relating to loans and advances (other than trade advances) or inter-corporate deposits given by the listed entity or its subsidiary: Not applicable

B(3): Disclosure only in case of transactions relating to investment made by the listed entity or its subsidiary: Not Applicable

B(4): Disclosure only in case of guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary: Not Applicable

B(5): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

B(6): Disclosure only in case of transactions relating to 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: Not Applicable

B(7): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

PART C - ADDITIONAL INFORMATION FOR SPECIFIC TYPE OF RPT, ALSO BEING A MATERIAL RPT

C(1): Disclosure only in case of transactions relating to any loans and advances (other than trade advances), inter-corporate deposits given by the listed entity or its subsidiary: Not Applicable

C(2): Disclosure only in case of transactions relating to any investment made by the listed entity or its subsidiary:
Not Applicable

C(3): Disclosure only in case of transactions relating to any guarantee (including performance guarantee in nature of security/contractual commitment or which could have an impact in monetary terms on the issuer of such guarantee), surety, indemnity or comfort letter, by whatever name called, made or given by the listed entity or its subsidiary:
Not Applicable

C(4): Disclosure only in case of transactions relating to borrowings by the listed entity or its subsidiary: Not Applicable

C(5): Disclosure only in case of 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: Not Applicable

C(6): Disclosure only in case of transactions relating to payment of royalty: Not Applicable

Annexure – H

Profile – Secretarial Auditors – J B Bhavé & Co.:

M/s J. B. Bhavé & 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. Bhavé 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.

Profile – Cost Auditors – Joshi Apte and Associates.:

M/s Joshi Apte and Associates (Firm Registration No. 000240) is a Peer Reviewed firm and has a track record of providing expert services in Cost Management Accountancy for the last 17 years. They have a dynamic team which is 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 profession services like, Cost Audit, Costing Systems, Cost Study and analysis, etc.

INFORMATION AT A GLANCE

Sr. No	Particulars	Details
1.	Day, Date and Time of AGM	Thursday, 13 th August, 2026 at 15:00 Hrs (IST)
2.	Mode	Video Conference (VC) and Other Audio Visual Means (OAVM)
3.	Participation through VC/OAVM	Members can login from 2:45 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 2nd August, 2026 , through email on industrialindia@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 industrialindia@SKF.com on or before 2nd August, 2026 ,
7.	Recorded Transcript	Will be made available post AGM at https://www.skf.com/in/investors/skf-india-industrial-ltd
8.	Dividend for FY 2025-2026 recommended by the Board	INR 10/-per equity share of the face value of INR 10/- each
9.	Dividend Record Dates	3 rd July, 2026 (Friday)
10.	Dividend Payment Date	on or after Monday, 17 th August, 2026 (within the statutory time limit of 30 days) subject to Shareholders' approval at the AGM
11.	Cut-off date for e-voting	6 th August, 2026 (Thursday)
12.	Remote e-voting start time and Date	9 th August, 2026 (Sunday at 9:00 a.m. IST)
13.	Remote e-voting end time and date	12 th August, 2026 (Wednesday at 5:00 p.m. IST)

Annexure – H (contd.)

Sr. No	Particulars	Details
14.	Remote e-voting website	Shares held in Demat mode with NSDL: - Shareholders registered for NSDL IDeAS facility: https://eservices.nsdl.com/ - Others: https://evoting.nsdl.com Shares held in Demat mode with CDSL: - Shareholders who have opted for Easi facility of CDSL: https://web.cdslindia.com/myeasi/home/login - Others: www.cdslindia.com Logging in through Depository Participants: Members can also login using the login credentials of their demat account through your DP registered with NSDL/CDSL for e-voting facility.
15.	Name, address and contact details of e-voting service provider and registrar and transfer agent	Registrar and Transfer Agent MUFG INTIME INDIA PRIVATE LIMITED C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg, Vikhroli (West), Mumbai 400 083 Tel: +91 22 66568484 E-voting Service Provider National Securities Depositories Limited ("NSDL") Trade World, A wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai - 400013 Tel No: 1800-1020-990/1800-22-44-30
16	Email Registration and Contact Updating Process	Demat Shareholders: Contact respective Depository Participant

Independent Auditor's Report

To The Members of SKF India (Industrial) Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of SKF India (Industrial) Limited (the "Company"), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its profit and other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the 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 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 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 financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises information included in the Board's Report including annexures to Board's Report, the Management's Discussions & Analysis and the Report on Corporate Governance but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Board of Directors for the 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 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 financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern,

Independent Auditor's Report (contd.)

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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the 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 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.

Other Matter

The financial statements include the financial information of the Transferred Industrial Businesses of SKF India Limited (Refer Note 35 of the financial statements) for the period 17 December 2024 to 31 March 2025 and 1 April 2025 to 30 September 2025. This financial information of the Transferred Industrial Businesses for the period 17 December 2024 to 31 March 2025 and 1 April 2025 to 30 September 2025 have been extracted by the Management from the financial information of SKF India Limited for the period ended and financial year ended 31 March 2025 and 31 March 2026 respectively, which were audited by us.

Independent Auditor's Report (contd.)

Our opinion on the financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of these matter.

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, except for not keeping backup on a daily basis of such books of account maintained in electronic mode in a server physically located in India and not complying with the requirement of audit trail for the period from 1 April 2025 to 30 September 2025 as stated in (i)(vi) below. (Refer Note 44 to the financial statements).
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) The modification's 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 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 financial statements.
 - 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, the remuneration paid by the Company to its 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 Company has disclosed the impact of pending litigations on its financial position in its financial statements (Refer note 34 to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the note 43 to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The Management has represented, that, to the best of its knowledge and belief, as disclosed in the note 43 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including

Independent Auditor's Report (contd.)

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. As stated in note 40 to the 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 softwares for maintaining its books of account for the period from 1 October 2025 to 31 March 2026 which

have a feature of recording audit trail (edit log) facility and the same was enabled and operated throughout the aforesaid period for all relevant transactions recorded in the softwares except that the Company has not used any accounting software for maintaining its books of account for the period from 1 April 2025 to 30 September 2025; accordingly reporting under Rule 11 (g) of Companies (Audit and Auditors) Rules, 2014 is not applicable to the Company for the period from 1 April 2025 to 30 September 2025.

Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with, in respect of said accounting softwares for the period for which the audit trail feature was enabled and operating.

The Company has not used any accounting software for maintaining its books of account for period from 17 December 2024 (Date of Incorporation) to 31 March 2025, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable.

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: 26102637SBMEDM5440

Place: Pune

Date: May 12, 2026

ROIN: KRX-2026-78129

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 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 financial statements of **SKF India (Industrial) Limited** (the “Company”) as at 31 March 2026 in conjunction with our audit of the 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 financial statements based on the “internal control with reference to 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 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 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 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 financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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 financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company’s internal financial control with reference to 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 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 financial statements

Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are

Annexure “A” to the Independent Auditor’s Report (contd.)

subject to the risk that the internal financial control with reference to 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 financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2026 based on the criteria for internal financial control with reference to 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: 26102637SBMEDM5440

Place: Pune

Date: May 12, 2026

ROIN: KRX-2026-78129

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)

I 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 (capital work-in-progress, investment properties and right-of-use assets), so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program,

certain Property, Plant and Equipment were due for physical verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

- (c) With respect to immovable properties (other than properties where SKF India Limited is lessee and the lease agreements are duly executed in favour of the lessee, pending novation to Company’s name) disclosed in the financial statements included in property, plant and equipment, capital work-in progress, investment property and right-of-use assets according to the information and explanations given to us and based on the examination of the registered sale deed and Land Allotment letter (SANAD and 7/12 form) provided to us, we report that, the title deeds of such immovable properties are not held in the name of the Company as at the balance sheet date which are as follows:

Description of Property/Description of immovable properties taken on lease	Gross carrying value (as at the balance sheet date Rs. In million)	Carrying value (as at the balance sheet date Rs. In million)	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reasons for not being in the name of the Company
Freehold Land and Building located at Bangalore, Karnataka admeasuring 12,278.99 sq. mtrs.	318.1	231.2	SKF Bearings India Limited	No	From 1 October 2025, appointed and effective date as per approved scheme	Refer Note 1
Freehold Land and Building located at Pune, Maharashtra admeasuring 180,202.21 sq. mtrs.	0.9	0.9	SKF Bearings India Limited	No	From 1 October 2025, appointed and effective date as per approved scheme	
Residential Property Located at A-13, Flat No. 102, 1 st Floor, Kailash Colony, Delhi	0.8	-	SKF Bearings India Limited	No	From 1 October 2025, appointed and effective date as per approved scheme	
Guest house located at Samudra Mahal 111, Dr. Annie Basent Road Opp to Nehru Planetarium Worli, Mumbai, Maharashtra.	3.2	-	SKF India Limited	No	From 1 October 2025, appointed and effective date as per approved scheme	
Leased Premises located at Plot no. 2/C 327, Charni Road, Mumbai - 400 002, Maharashtra	6.6	6.1	SKF India Limited	No	From 1 October 2025, appointed and effective date as per approved scheme	

Annexure “B” to the Independent Auditor’s Report (contd.)

Note 1: According to the information and explanations given by the management, all immovable properties included under Property, Plant and Equipment, as well as properties where the Company is a lessee, have been acquired pursuant to the Scheme of Demerger of the Industrial Undertaking of SKF India Limited (“Demerged Company”) into the Company. The Scheme was approved by the Hon’ble National Company Law Tribunal, Mumbai Bench, on September 26, 2025 and became effective from October 1, 2025. Accordingly, the title deeds of such immovable properties continue to be held in the name of SKF Bearings India Limited, which was subsequently renamed as SKF India Limited with effect from October 7, 2004. Further, the lease agreements in respect of leasehold properties are in the name of SKF India Limited. The Company is in the process of filing the necessary applications with the relevant authorities for updating the name in respect of these title deeds as at March 31, 2026.

- (d) The Company has not revalued any of its property, plant and equipment (including Right of Use assets) and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2026 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except goods-in-transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. In respect of goods in- transit, some of the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories/alternate procedures performed as applicable, when compared with the books of account.
- (b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions on the basis of security of current assets, and hence reporting under clause 3(ii)(b) of the Order is not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

- (iv) The Company has not granted any loans, made investments or provided guarantees or securities and hence reporting under clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- (vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) In respect of statutory dues:
 - (a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Income-tax, duty of Customs, cess and other material statutory dues applicable to the company have been regularly deposited by it with the appropriate authorities in all cases during the year.
There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Income-tax, duty of Customs, cess and other material statutory dues in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.
 - (b) There are no statutory dues referred in sub-clause (a) above which have not been deposited on account of disputes as on 31 March 2026. (Refer Note 34 of the Financial Statements.)
- (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.

Annexure “B” to the Independent Auditor’s Report (contd.)

- (d) As informed to us, the Company has not raised any short-term loan during the year and there are no unutilised short term loans at the beginning of the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- (e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.
- (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 raised moneys by way of initial public offer or further public offer (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 31 December 2025.
- (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 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 provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Hence, reporting under clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Place: Pune
Date: May 12, 2026
ROIN: KRX-2026-78129

Kedar Raje
Partner
(Membership No. 102637)
UDIN: 26102637SBMEDM5440

Balance Sheet

as at 31st March, 2026

(INR in Million)

Particulars	Notes	As at 31 st March, 2026	As at 31 st March, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3(a)	1,841.8	1,560.7
Right-of-use assets	3(b)	39.8	14.1
Capital work-in-progress	3(a)	1,342.7	89.8
Investment properties	4	231.2	241.1
Intangible assets	5	-	-
Financial assets			
Loans	6	1,576.0	1,576.0
Other financial assets	7	266.3	80.2
Deferred tax assets (net)	8	650.7	209.1
Other non-current assets	10	14.5	39.4
Total non-current assets		5,963.0	3,810.4
Current Assets			
Inventories	11	5,357.8	5,082.9
Financial assets			
Trade receivables	12	8,280.2	5,301.5
Cash and cash equivalents	13	5,691.7	4,531.4
Bank balance other than above	14	-	0.3
Loans	6	-	33.3
Other financial assets	7	333.2	22.7
Current tax asset (net)	9 (a)	75.5	-
Other current assets	10	1,043.6	364.8
Total current assets		20,782.0	15,336.9
TOTAL ASSETS		26,745.0	19,147.3
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	15	494.4	494.5
Other Equity	16	14,274.1	12,616.0
Total Equity		14,768.5	13,110.5
LIABILITIES			
Non-current liabilities			
Financial liabilities			
Lease liabilities	3(b)	27.2	2.8
Provisions	17	15.0	-
Employee benefit obligation	17	34.8	157.0
Total non-current liabilities		77.0	159.8
Current Liabilities			
Financial liabilities			
Lease liabilities	3(b)	18.5	17.4
Trade payables	18		
Outstanding dues of micro and small enterprises		124.4	152.3
Outstanding dues other than micro and small enterprises		7,271.5	4,242.9
Other current financial liabilities	19	1,120.8	221.0
Provisions	17	2,306.0	1,034.7
Employee benefit obligations	17	169.2	39.6
Current tax liabilities	9 (b)	49.9	-
Other current liabilities	20	839.2	169.1
Total current liabilities		11,899.5	5,877.0
Total liabilities		11,976.5	6,036.8
TOTAL EQUITY AND LIABILITIES		26,745.0	19,147.3
Material accounting policies	1		
Significant accounting judgements, estimates and assumptions	2		

The accompanying notes are an integral part of these 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)

For and on behalf of the Board of Directors of

SKF India (Industrial) Limited

Gopal Subramanyam

Chairman

DIN:- 06684319

Ashish Saraf

Chief Financial Officer

PAN: AVEPS0176L

Mukund Vasudevan

Managing Director

DIN: 05146681

Poorva Bang

Company Secretary

PAN: BPXPB6489M

Place: Pune

Date: 12th May, 2026

Place: Pune

Date: 12th May, 2026

Place: Pune

Date: 12th May, 2026

Statement of Profit and Loss

for the year ended 31st March, 2026

(INR in Million)

Particulars	Notes	For the year ended 31 st March, 2026	For the year ended 31 st March, 2025
1 Revenue from Operations	21	34,403.6	7,206.1
Other income	22	591.2	126.6
Total Income		34,994.8	7,332.7
2 Expenses			
(a) Cost of materials consumed	23	5,638.4	993.2
(b) Purchases of stock-in-trade	24	18,120.2	3,474.9
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	25	(514.4)	(348.3)
(d) Employee benefits expense	26	2,152.9	454.3
(e) Depreciation and amortisation expense	28	313.8	92.7
(f) Finance costs	27	2.1	1.4
(g) Other expenses	29	5,108.1	1,020.5
Total Expenses		30,821.1	5,688.7
3 Profit before exceptional items and tax		4,173.7	1,644.0
4 Exceptional items (Refer Note 31)	31	1,961.0	-
5 Profit before tax (3 - 4)		2,212.7	1,644.0
6 Income tax expense:	30		
Current tax (Including tax relating to earlier years)		477.2	425.8
Deferred tax (credit)/charge		(441.2)	5.1
Total tax expense		36.0	430.9
7 Profit for the year/period (5 - 6)		2,176.7	1,213.1
8 Other comprehensive income, net of income tax:			
Items that will not be reclassified to profit and loss			
Remeasurement of net defined benefits gain		50.9	32.4
Income tax charge relating to these items		(12.8)	(8.1)
Other comprehensive income for the year/period (net of tax)		38.1	24.3
9 Total comprehensive income for the year/period (7 + 8)		2,214.8	1,237.4
10 Earnings per equity share (nominal value of share INR 10)			
(a) Basic	32	44.0	24.5
(b) Diluted		44.0	24.5

Material accounting policies 1

Significant accounting judgements, estimates and assumptions 2

The accompanying notes are an integral part of these 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)

**For and on behalf of the Board of Directors of
SKF India (Industrial) Limited**

Gopal Subramanyam
Chairman
DIN:- 06684319

Ashish Saraf
Chief Financial Officer
PAN: AVEPS0176L

Mukund Vasudevan
Managing Director
DIN: 05146681

Poorva Bang
Company Secretary
PAN: BPXPB6489M

Place: Pune
Date: 12th May, 2026

Place: Pune
Date: 12th May, 2026

Place: Pune
Date: 12th May, 2026

Statement of Changes in Equity

for the year ended 31st March, 2026

A) Equity Share Capital

(INR in Million)

Particulars	Notes	Amount
31st March, 2025	15	
Balance as at 17 th December, 2024		0.1
Pending allotment of shares pursuant to the Scheme of Arrangement (refer note 35)		494.4
Changes in equity share capital due to prior period errors		-
Balance as at 31st March, 2025		494.5
31st March, 2026	15	
Balance as at 31 st March, 2025		494.5
Equity share capital cancelled pursuant to the scheme (refer note 15)		(0.1)
Changes in equity share capital due to prior period errors		-
Balance as at 31st March, 2026		494.4

B) Other Equity

(INR in Million)

Particulars	Retained earnings	Capital Reserve	Total Other Equity
Balance as at 17th December, 2024	-	-	-
Includes balances transferred on account of Scheme of Arrangement (Refer note 35)	11,378.6		11,378.6
Profit for the period ended 31 st March, 2025	1,213.1	-	1,213.1
Other comprehensive income for the period ended 31 st March, 2025	24.3	-	24.3
Total comprehensive income for the period ended 31st March, 2025	12,616.0	-	12,616.0
Balance as at 31st March, 2025	12,616.0	-	12,616.0
Capital Reserve created pursuant to the Scheme of Arrangement (refer note 35)	-	0.1	0.1
Profit for the year 31st March, 2026	2,176.7	-	2,176.7
Other comprehensive income for the year ended 31 st March, 2026	38.1	-	38.1
Adjustment pursuant to the Scheme of Arrangement (refer note 30(A))	(556.8)	-	(556.8)
Total comprehensive income for the year ended 31st March, 2026	1,658.0	0.1	1,658.1
Balance as at 31st March, 2026	14,274.0	0.1	14,274.1

Material accounting policies

1

Significant accounting judgements, estimates and assumptions

2

The above 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

(Membership No.: 102637)

**For and on behalf of the Board of Directors of
SKF India (Industrial) Limited**

Gopal Subramanyam

Chairman

DIN:- 06684319

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Chief Financial Officer

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PAN: BPXPB6489M

Place: Pune

Date: 12th May, 2026

Place: Pune

Date: 12th May, 2026

Place: Pune

Date: 12th May, 2026

Cash Flow Statement

for the year ended 31st March, 2026

(INR in Million)

Particulars	Year ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
A. Cash flow from Operating Activities		
Profit before tax and exceptional items	4,173.7	1,644.0
Adjusted for:		
Depreciation and amortisation expense	313.8	92.7
Provision/(reversal) for bad and doubtful debts	11.0	(36.9)
Rental income	(44.4)	(11.1)
Finance cost	2.1	1.4
Interest income		
- Fixed deposits with banks	(271.3)	(47.4)
- On loan given to related party	(127.8)	(59.4)
Operating Profit before working capital changes	4,057.2	1,583.3
Adjusted for:		
(Increase) in inventories	(274.9)	(455.0)
(Increase) in trade receivables	(2,989.7)	(466.4)
(Increase)/Decrease in current & non-current assets	(672.6)	24.8
(Increase)/Decrease in current & non-current financial assets	(494.6)	293.0
Increase/(Decrease) in trade payables	3,000.8	(79.4)
Increase/(Decrease) in other liabilities	687.5	(493.5)
Increase/(Decrease) in provisions	1,344.5	(158.5)
Cash generated from operations before exceptional items	4,658.2	248.2
Direct taxes paid (net of refunds)	(1,058.8)	(425.8)
Net cash flow from Operating Activities before exceptional items (A)	3,599.4	(177.6)
Exceptional Item	1,961.0	-
Net cash flow from Operating Activities after exceptional items (B)	1,638.4	(177.6)
B. Cash flow from Investing Activities		
Payments for Property Plant and Equipment (Including Capital Work-in-progress)	(935.7)	(104.9)
Interest Received	397.1	107.3
Investment in deposits	0.3	-
Rental Income	44.4	11.1
Loan recovered/(given)	33.3	(33.3)
Net cash outflow from Investing Activities (C)	(460.8)	(19.8)
C. Cash flow from Financing Activities		
Repayment of lease liability	(15.1)	(4.1)
Proceeds from issue of equity shares	-	0.1
Finance cost	(2.1)	1.4

Cash Flow Statement for the year ended 31st March, 2026 (contd.)

(INR in Million)		
Particulars	Year ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Net cash outflow from Financing Activities (D)	(17.2)	(2.6)
Net changes in Cash and Cash Equivalents (B+C+D)	1,160.3	(199.9)
Cash and Cash Equivalents at beginning of the year	4,531.4	4,731.3
Cash and Cash Equivalents at the end of the year (Refer note 13)	5,691.7	4,531.4
Net changes in Cash and Cash Equivalents	1,160.3	(199.9)

Statement of Cash flow has been prepared under the indirect method as set out in the Ind AS 7 - Statement of Cash Flows. The accompanying notes are an integral part of these financial statements.

Material accounting policies	1
Significant accounting judgements, estimates and assumptions	2

The accompanying notes are an integral part of these 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: 12th May, 2026

**For and on behalf of the Board of Directors of
SKF India (Industrial) Limited**

Gopal Subramanyam
Chairman
DIN:- 06684319

Ashish Saraf
Chief Financial Officer
PAN: AVEPS0176L

Place: Pune
Date: 12th May, 2026

Mukund Vasudevan
Managing Director
DIN: 05146681

Poorva Bang
Company Secretary
PAN: BPXPB6489M

Place: Pune
Date: 12th May, 2026

Notes to the Financial Statements

as at and for the year ended 31st March, 2026

Background

SKF India (Industrial) Limited ('the Company') is a public limited company incorporated on 17th December, 2024, under the provisions of the Companies Act, 2013, and domiciled in India. The Company is a subsidiary of AB SKF, a registered Swedish limited liability company domiciled in Gothenburg, Sweden (i.e. 1st October, 2025) earlier, It was a subsidiary of SKF India Limited upto 30th September, 2025 (Refer note 35). The Registered Office of the Company is situated at Chinchwad Gaon, Chinchwad, Pune - 411033, Maharashtra, India.

The Company has received a certified true copy of the Order dated 26th September, 2025, from the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT"), approving the Scheme of Arrangement ("Scheme") between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors under Section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). With reference to the Scheme, the Board of Directors of the Demerged and Resulting Company had mutually fixed appointed and effective date as 1st October, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on 1st October, 2025 ("Effective Date"). The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in India on 05th December, 2025.

The Company is involved in the business of manufacturing and trading of bearings and other related components. The Company's manufacturing facilities are located at Pune & Bengaluru.

These financial statements of the Company for the year ended 31st March, 2026, as reviewed and recommended by the Audit Committee, were authorised for issue in accordance with the resolution of the Board of Directors in their meeting held on 12th May, 2026.

1 Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

1.1 Basis of preparation

The assets, liabilities, retained earnings, revenue from operations, and expenses specifically pertaining to Industrial Business (as defined in Scheme of Arrangement) for the period from 17th December, 2024 to 31st March, 2025 and 1st April, 2025 to 30th September, 2025 were extracted from the books of account of SKF India Limited ("Demerged Company"). Further, the Company has given effect to the Scheme of Arrangement using the pooling of interests method as specified by Appendix C to Ind AS 103, Business combination of entities under common control. Pursuant to the Scheme, as per the Ind AS principles, comparative balances for the period from 17th December, 2024 to 31st March, 2025 have been restated in the financial statements and hence are not comparable with the current year. (Refer Note 35)

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;

iii) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 7th May, 2025 and 13th August, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1st April, 2025:

a) International Tax Reform - Pillar Two Model Rules - Amendments to Ind AS 12

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the Company operates.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

b) Lack of Exchangeability - Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

iv) Going concern:

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they adopt the going concern basis of accounting in preparing the financial statements.

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 Goods or Services and thus has the ability to direct the use and obtain the benefits from the good and 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.

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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

The Company assesses whether it is acting as a principal or an agent in all revenue arrangements. The Company is considered a principal if it controls the specified goods or services before they are transferred to the customer. When acting as a principal, revenue is recognised at the gross amount of consideration.

When the Company acts as an agent, it recognises revenue at the net amount retained, being the commission or fee earned for arranging for the provision of goods or services by another party.

Revenue recognized at a point-in-time:-

For sale of products and sale of services, revenue is recognized at point in time when control of goods is transferred and service is rendered to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

Revenue recognized over the time:-

The Company provides installation and commissioning services in connection with the supply of industrial products such as bearings, seals, lubrication systems, and condition monitoring solutions to customers across various industrial sectors. These services are typically part of integrated engineering solutions and are treated as a performance obligation satisfied over time, as the customer simultaneously receives and consumes the benefits during the installation and commissioning phase.

Revenue from installation and related services is recognised based on the stage of completion of the contract. Management has determined that the proportion of total estimated installation and commissioning time elapsed at the end of the reporting period represents an appropriate measure

of progress towards the complete satisfaction of these performance obligations in accordance with Ind AS 115.

Payments for such services are generally contractually due upon completion of installation and successful commissioning of the equipment or systems. Accordingly, revenue recognised prior to invoicing gives rise to a contract asset, representing the Company's right to consideration for services rendered up to the reporting date.

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

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Investment in government securities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. When calculating the effective interest rate, the 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.

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 equipment's	5/10/14/16/20
Furniture and fixtures	4
Office equipment's	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 life of Software in use is 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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

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 (Industrial) 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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

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.

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 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
- b) defined contribution plans such as superannuation and provident fund.

Defined Benefit Plans

The liability or asset recognised in the balance sheet in respect of gratuity 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.

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

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

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. 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:

- it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
- the amount of the obligation cannot be measured with sufficient reliability

1.19 Business Combinations (common control business combinations)

Business combination involving entities that are controlled by the company are accounted for using the pooling of interest method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts.
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements.
- The identity of the reserve are preserved and the reserves of the transferor becomes the reserves of the transferee.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

1.20 Exceptional items

When items of income and expense within profit or loss from ordinary activities are of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the period, the nature and amount of such items is disclosed separately as Exceptional Items.

1.21 Dividend

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. Final dividends on shares are recorded as a liability on the date of approval by the shareholders and dividends are recorded as a liability on the date of declaration by the Company's shareholders.

1.22 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.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2(A) Significant Judgement

a) Tax Contingencies

Pursuant to the Scheme of Arrangement, advance tax payments, prepayments, tax balances with statutory authorities, matters under litigation, and related tax provisions/liabilities continue to be administered in the name of SKF India Limited ("Demerged Company") as part of an ongoing process. Although these amounts relate to periods prior to the demerger, the ultimate financial impact whether in the form of refunds or additional tax liabilities will be recognized between Company and SKF India Limited ("Demerged Company") upon the conclusion of the relevant assessment proceedings.

The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision for a loss may be appropriate.

2(B) Significant estimate

a) Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default and expected loss rates and timing of the cash flows. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b) Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted

Notes to the Financial Statements**as at and for the year ended 31st March, 2026 (contd.)**

cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 38 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 (2012-14) 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 capitalisation method as per Ind AS 113- Fair value measurement.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

3. (a) Property, plant and equipment

(INR in Million)

Description	Freehold Land (Refer Note Below)	Building (Refer Note Below)	Furniture & Fixtures (Refer Note II below)	Office Equipment	Plant & Machinery (Refer Note II below)	Vehicles	Total	Capital work in progress
Gross Carrying Amount								
Balance as at 17th December, 2024	-	-	-	-	-	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	2.8	127.7	110.1	18.0	2,555.9	122.5	2,937.0	94.9
Additions	-	-	-	2.3	106.7	6.7	115.7	110.3
Disposals	-	-	-	-	-	-	-	-
Capitalised during the year	-	-	-	-	-	-	-	(115.4)
Balance as at 31st March, 2025	2.8	127.7	110.1	20.3	2,662.6	129.2	3,052.7	89.8
Additions	-	3.2	6.6	1.2	508.0	53.0	572.0	1,825.0
Disposals	-	-	-	-	(8.9)	-	(8.9)	-
Capitalised during the year	-	-	-	-	-	-	-	(572.0)
Balance as at 31st March, 2026	2.8	130.9	116.7	21.5	3,161.7	182.2	3,615.8	1,342.7
Accumulated depreciation and amortisation								
Balance as at 17th December, 2024	-	-	-	-	-	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	-	34.1	97.2	15.0	1,211.7	44.3	1,402.3	-
Depreciation charged during the year	-	1.0	1.6	0.7	80.1	6.3	89.7	-
Disposals	-	-	-	-	-	-	-	-
Balance as at 31st March, 2025	-	35.1	98.8	15.7	1,291.8	50.6	1,492.0	-
Depreciation charged during the year	-	3.8	5.7	2.1	249.5	29.8	290.9	-
Disposals	-	-	-	-	(8.9)	-	(8.9)	-
Balance as at 31st March, 2026	-	38.9	104.5	17.8	1,532.4	80.4	1,774.0	-
Net Carrying Amount								
Net carrying amount as at 31st March, 2025	2.8	92.6	11.3	4.6	1,370.8	78.6	1,560.7	89.8
Net carrying amount as at 31st March, 2026	2.8	92.0	12.2	3.7	1,629.3	101.8	1,841.8	1,342.7

Notes:

- For capital commitments, refer note 34 (B).
- The aggregate depreciation has been included under depreciation and amortisation expense in the statement of profit and loss.
- Capital work in progress represents the capital expenditure pertaining to plant and equipment not yet capitalised.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

I. Ageing of Capital work-in-progress

A. Ageing of Capital work-in-progress as on 31st March, 2026

(INR in Million)

	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	1,342.7		-	-	1,342.7
Projects temporarily suspended	-	-	-	-	-

B. Ageing of Capital work-in-progress as on 31st March, 2025

(INR in Million)

	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	89.8	-	-	-	89.8
Projects temporarily suspended	-	-	-	-	-

Notes:

- There are no projects as at the reporting date where costs have been exceeded as compared to original plan or where completion is overdue.

Title deeds of Immovable Properties and Properties where the Company is lessee not held in name of the Company:

Description of the property	Gross Carrying Value (In Millions)	Period held since (range) (date of acquisition)	Whether in the name of promoter, director or their relative or employee	Held in Name of	Reason for not being held in name of Company
Freehold Land and Building located at Bangalore, Karnataka	318.1	1 st October, 2025 appointed and effective date as per approved scheme	No	SKF Bearings India Limited	The title of the asset transferred pursuant to the Scheme of Arrangement (demerger) are in the process of being transferred in the name of the Company.
Freehold Land and Building located at Pune, Maharashtra	0.9		No		
Residential Property Located at A-13, Flat No. 102, 1 st Floor, Kailash Colony, Delhi	0.8		No		
Guest house located at Samudra Mahal 111, Dr. Annie Basent Road Opp to Nehru Planetarium Worli, Mumbai, Maharashtra	3.2		No		
Right-of-Use Assets - Leased Premises located at Plot no. 2/C 327, Charni Road, Mumbai - 400 002, Maharashtra	6.6		No	SKF India Limited	

As per the Scheme, all immovable properties including but not limited to capital work in progress, land, buildings, and any associated rights, titles, interests, rights of way and easements shall vest in the Company, or be deemed to have vested automatically, without any further act or deed, with effect from the Appointed Date. Accordingly, all immovable properties of the SKF India Limited ("Demerged Company") forming part of the Industrial Undertaking have vested in the Company effective 1st October, 2025. The Company will also be filing the necessary applications with the concerned authorities to update the name with the concerned authorities in the due course.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

II. ASSETS GIVEN ON OPERATING LEASE

The Company has leased following assets to SKF Engineering and Lubrication India Private Limited (fellow subsidiary) under operating lease. The carrying amount of the assets given on operating lease and depreciation thereon for the period are:

(INR in Million)			
Description	Plant & Machinery	Furniture & Fixtures	Total
Gross Carrying Amount			
Balance as at 17th December, 2024	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	60.2	8.4	68.6
Additions	-	-	-
Balance as at 31st March, 2025	60.2	8.4	68.6
Additions	-	-	-
Balance as at 31st March, 2026	60.2	8.4	68.6
Accumulated depreciation and amortisation			
Balance as at 17th December, 2024	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	55.8	5.5	61.3
Depreciation charged during the year	0.4	0.1	0.5
Balance as at 31st March, 2025	56.2	5.6	61.8
Depreciation charged during the year	1.5	0.3	1.8
Balance as at 31st March, 2026	57.7	5.9	63.6
Net Carrying Amount			
Net carrying amount as at 31st March, 2025	4.0	2.8	6.8
Net carrying amount as at 31st March, 2026	2.5	2.5	5.0

3. (b) Right-of-use assets

A. Right-of-Use Assets

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) The balance sheet shows the following amounts relating to Right-of-use assets:

(INR in Million)		
Right-of-use of assets	31 st March, 2026	31 st March, 2025
Buildings	39.8	14.1
Total	39.8	14.1

(ii) Movement in Right-of-use assets:

(INR in Million)	
Description	Amount
Year ended 31st March, 2025	
Gross carrying amount as at 17 th December, 2024	-
Addition on account of Scheme of Arrangement (Refer note 35)	13.5
Additions	8.8
Closing gross carrying amount	22.3

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)	
Description	Amount
Accumulated depreciation as at 17 th December, 2024	-
Addition on account of Scheme of Arrangement (Refer note 35)	7.7
Depreciation during the year	0.5
Closing accumulated depreciation	8.2
Net carrying amount as on 31st March, 2025	14.1
Year ended 31st March, 2026	
Gross carrying amount as at 01 st April, 2025	22.3
Additions	38.5
Closing gross carrying amount	60.8
Accumulated depreciation as at 01 st April, 2025	8.2
Depreciation during the year	12.8
Closing accumulated depreciation	21.0
Net carrying amount as on 31st March, 2026	39.8

Note: Non cash transaction from investing and financing activities 31st March, 2026 INR 38.5 Million (31st March, 2025 INR 8.9 Million).

B. Leases

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Non-current lease liabilities	27.2	2.8
Current lease liabilities	18.5	17.4
TOTAL	45.7	20.2

i. Movement in lease liabilities:

The following is the movement in lease liabilities:

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Opening Lease Liabilities as on	20.2	-
Add: Addition on account of Scheme of Arrangement (Refer note 35)	-	14.0
Add: Additions	38.5	8.8
Add: Finance cost accrued during the year	2.1	1.4
Less: Repayment of lease liabilities	(15.1)	(4.0)
Balance as at the end of the year	45.7	20.2

ii. Amounts recognised in the Statement of Profit & Loss:

The statement of profit and loss shows the following amounts relating to lease:

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Depreciation charge on right-of-use assets (Refer note 28)	12.8	0.5
Interest on lease liabilities (Refer note 27)	2.1	1.4
Expense relating to short-term leases/leases of low-value assets (Refer note 29)	62.7	5.6
TOTAL	77.6	7.5

The total cash outflow for leases for the year was INR 77.8 Million (31st March, 2025 - INR 9.7 Million)

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

4. Investment Properties

(INR in Million)		
Description	31 st March, 2026	31 st March, 2025
Opening gross carrying amount		
Balance at the beginning of the year	318.1	-
Addition on account of Scheme of Arrangement (Refer note 35)	-	318.1
Additions during the year	0.2	-
Balance at the end of the year	318.3	318.1
Accumulated depreciation as at 17th December, 2024		
Balance at the beginning of the year	77.0	-
Addition on account of Scheme of Arrangement (Refer note 35)	-	74.5
Depreciation for the year	10.1	2.5
Balance at the end of the year	87.1	77.0
Net carrying amount	231.2	241.1

AMOUNT RECOGNISED IN STATEMENT OF PROFIT OR LOSS FOR INVESTMENT PROPERTIES GIVEN ON OPERATING LEASE TO RELATED PARTY

(INR in Million)		
Description	31 st March, 2026	31 st March, 2025
Rental income from investment properties (Refer Note 22)	44.4	11.1
Depreciation (Refer Note 28)	10.1	2.5
Profit arising from Investment properties	34.3	8.6

PREMISES GIVEN ON OPERATING LEASE:

The Company has given investment properties on lease. These arrangements are classified as operating leases from a lessor perspective because all the risks and rewards incidental to the ownership of the assets are not transferred substantially to the lessee. These lease arrangements range for a period between 2 and 5 years and include both cancellable and non-cancellable leases. Most of the leases are renewable for further period on mutually agreeable terms. The Company has not retained any right in underlying asset.

MATURITY ANALYSIS OF LEASE PAYMENTS RECEIVABLE AT THE BALANCE SHEET DATE ON AN UNDISCOUNTED BASIS:

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Within one year	44.4	38.4
Later than one year but less than 5 year	177.6	153.6
More than 5 years	33.3	105.6

The Company has not earned gain or incurred loss from sale and lease back transaction. There are no significant restrictions or covenants imposed on leases.

Estimation of fair value

(INR in Million)		
Description	31 st March, 2026	31 st March, 2025
Investment properties	610.0	571.0

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.

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

There is no impairment in respect of Investment properties and valuation method remain unchanged.

5. Other Intangible assets (Acquired)

(INR in Million)	
Particulars	Computer Software's
Gross carrying amount	
Balance as at 17th December, 2024	-
Addition on account of Scheme of Arrangement (Refer note 35)	2.2
Additions	-
Disposals/Write off	-
Balance as at 31st March, 2025	2.2
Additions	-
Disposals/Write off	-
Addition on account of demerger	-
Balance as at 31st March, 2026	2.2
Accumulated amortization	
Balance as at 17th December, 2024	-
Addition on account of Scheme of Arrangement (Refer note 35)	(2.2)
Amortised during the year	-
Additions	-
Disposals/Write off	-
Balance as at 31st March, 2025	(2.2)
Amortised during the year	-
Disposals/Write off	-
Addition on account of demerger	-
Balance as at 31st March, 2026	(2.2)
Net carrying amount	
Balance as at 31st March, 2025	-
Balance as at 31st March, 2026	-

Note: There are no intangibles assets under development.

6. Loans

(INR in Million)				
Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good				
Loan to related party* (refer note 37)	-	1,576.0	-	1,576.0
Loan to others**	-	-	33.3	-
TOTAL	-	1,576.0	33.3	1,576.0

*Details of loans and advances in the nature of loans granted to promoters, directors, key managerial personnel and related parties (as defined under Companies Act, 2013)

**The Company has given advance in nature of loan for supply of Goods. The rate of interest on the loan is at arm's length price.

Notes:

- Loan given to SKF Engineering and Lubrication India Private Limited (a fellow subsidiary/Borrower) with original repayment starting from financial year 2014 onwards. During the FY 2023-24 (erstwhile demerger), the repayment terms of the loan are extended till 2029 and same was novated to the Company.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

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 (Ultimate Parent Company). Loan is considered to be recoverable considering favourable loan to security ratio, no defaults in repayment in the past, improved operational performance of the borrower, support by the borrower's holding company in the past and supported by reasonable assumption used for future cash flow. The rate of interest on the loan is the average deposit and lending rate (higher of the two) for the period of the loan and prevailing yield for the government securities closest to the tenure of the loan, whichever is higher.

- ii) There is no loss allowance for receivables in relation to any outstanding balances, and no loss allowance has been recognised during the year in respect of receivables due from related parties.

7. Other Financial Assets

(INR in Million)

Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Unsecured, considered good (unless otherwise specified)				
Security Deposits	4.8	5.7	-	17.5
EMD and other deposits				
- Unsecured, considered good	-	260.6	-	62.7
- Unsecured, considered doubtful	-	137.4	-	37.5
	-	398.0	-	100.2
Less: Allowance for doubtful deposits	-	(137.4)	-	(37.5)
	4.8	266.3	-	80.2
Other receivables				
Related party (Refer note 37)	288.2	-	-	-
Other than related party	18.8	-	3.3	-
Interest accrued:				
On fixed deposits with banks	21.4	-	19.4	-
Total	333.2	266.3	22.7	80.2

8. Deferred Tax Assets

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Deferred tax assets	650.7	209.1
Deferred tax liabilities	-	-
Deferred tax assets (net)	650.7	209.1

Deferred tax asset/(liabilities) (net)

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Deferred tax assets		
Provision for employee benefits	51.3	49.5
Provision for doubtful trade receivables	47.0	44.8
Provision for obsolete stock	17.7	15.2
Written down value of Property, plant and equipment	2.9	0.2
Other timing differences	531.8	99.4
	650.7	209.1
Deferred tax liabilities	-	-
Net deferred tax assets (net)	650.7	209.1

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Movements in deferred tax asset/(liabilities) (net)

(INR in Million)						
	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 17th December, 2024	-	-	-	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	53.0	54.1	13.2	1.3	92.5	214.1
(Charged)/credited:						-
- to statement of profit and loss	4.7	(9.3)	2.0	(1.1)	6.9	3.2
- to other comprehensive income	(8.2)	-	-	-	-	(8.2)
As at 31st March, 2025	49.5	44.8	15.2	0.2	99.4	209.1
(Charged)/credited:						
- to statement of profit and loss	14.6	2.2	2.5	2.7	*432.4	454.4
- to other comprehensive income	(12.8)	-	-	-	-	(12.8)
As at 31st March, 2026	51.3	47.0	17.7	2.9	531.8	650.7

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set-off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relates to income tax levied by the same taxation authorities.

The Company has done a detailed analysis of future recoverability of the Deferred Tax assets based on the internal and external information and expects, the recoverability of the Deferred Tax asset is not impacted.

*Other timing differences includes a stamp duty provision of INR 1,139 Million against which deferred tax asset of INR 286.4 Million has been recognized, and demerger expenses that are allowable over five years with a balance of INR 480.9 Million remaining to be allowed, for which deferred tax of INR 121.1 Million has been recognized.

9. (a) Tax assets

(INR in Million)				
Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Tax assets (net of provision 31 st March, 2026 INR 477.2 Million and 31 st March, 2025 - Nil)	75.5	-	-	-
TOTAL	75.5	-	-	-

9. (b) Tax Liabilities

(INR in Million)				
Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Tax liabilities (Refer note 30 (A))	49.9	-	-	-
TOTAL	49.9	-	-	-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Movement of Non-current tax asset

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Opening Balance as at 17th December, 2024	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	-	-
Add: Taxes paid	1,058.8	425.8
Less: Provision for Income tax	(983.3)	(425.8)
Less: Tax relating of earlier years (Refer note 30 (A))	(49.9)	-
Closing Balance	25.6	-

10. Other Assets

(INR in Million)

Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Capital Advances	-	11.3	-	30.0
Advances to suppliers	112.6	-	142.6	-
Prepaid Expenses	66.6	3.2	108.1	9.4
Export benefits/duty entitlements				
- Unsecured, considered good	6.0	-	-	-
Balances with government authorities	830.2	-	-	-
Other receivables				
- Unsecured, considered good	28.2	-	114.1	-
Total	1,043.6	14.5	364.8	39.4

11. Inventories

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Valued at lower of cost and net realizable value		
Raw Materials and Bought-Out Components [Including material in transit 31 st March, 2026 INR 70.89 31 st March, 2025 INR 70.66 Millions]	599.9	493.8
Stores and Spares [Including material in transit 31 st March, 2026: Nil, 31 st March, 2025: INR 24.79 Million]	0.1	345.7
Work-in-progress	53.4	19.7
Finished Products [Including Goods in transit 31 st March, 2026: INR 1,454.5 Million, 31 st March, 2025: INR 846.49 Million]	4,704.4	4,223.7
	5,357.8	5,082.9

The cost of inventories recognised as an expense during the year was INR 9.9 Million (31st March, 2025: INR 7.7 Million).

12. Trade receivables

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Trade receivables from contract with customers – billed	5,745.9	5,181.5
Trade receivables from contract with customers – unbilled	49.3	134.9
Trade receivables from contract with customers – related parties	2,671.6	163.4
Less: Loss allowance	186.6	178.3

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
TOTAL	8,280.2	5,301.5
Break-up of security details		
Trade Receivables		
Considered good – unsecured	8,280.2	5,301.5
Credit impaired	186.6	178.3
TOTAL	8,466.8	5,479.8
Less: Loss allowance	186.6	178.3
TOTAL	8,280.2	5,301.5

Notes:

- i) Trade receivables are non-interest bearing and are generally settled in 60 to 120 days.
- ii) No trade receivables are due from directors or other officers of the Company or any of them severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.
- iii) Refer note 39 for information on credit risk and market risk.

A. Ageing of trade receivables for the year ended 31st March, 2026

(INR in Million)

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	49.3	4,187.5	1,259.5	112.3	-	-	-	5,608.6
(ii) Undisputed trade receivables - considered good - related parties (Refer note 37)	-	2,584.1	72.2	15.3	-	-	-	2,671.6
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	86.0	-	-	-	-	86.0
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	15.1	42.7	6.3	36.5	100.6
TOTAL	49.3	6,771.6	1,417.7	142.7	42.7	6.3	36.5	8,466.8
Less: Loss allowance								(186.6)
TOTAL	49.3	6,771.6	1,417.7	142.7	42.7	6.3	36.5	8,280.2

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

B. Ageing of trade receivables for the year ended 31st March, 2025

(INR in Million)

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed trade receivables - considered good other than related parties	34.4	4,306.7	698.5	38.4	11.5	-	48.6	5,138.1
(ii) Undisputed trade receivables - considered good - related parties (Refer note 37)	100.5	45.9	9.6	6.1	-	1.3	-	163.4
(iii) Undisputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iv) Undisputed trade receivables - credit impaired	-	-	50.1	-	-	-	-	50.1
(v) Disputed trade receivables - considered good	-	-	-	-	-	-	-	-
(vi) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vii) Disputed trade receivables - credit impaired	-	-	-	53.1	19.1	-	56.0	128.2
TOTAL	134.9	4,352.6	758.2	97.6	30.6	1.3	104.6	5,479.8
Less: Loss allowance								(178.3)
TOTAL	134.9	4,352.6	758.2	97.6	30.6	1.3	104.6	5,301.5

13. Cash and cash equivalents

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Balances with Banks		
- On Current Account	179.2	277.5
- On EEFC Account	32.5	174.4
- On Deposit Account (with original maturity of 3 months or less)	5,480.0	4,079.5
TOTAL	5,691.7	4,531.4

14. Bank balances other than above

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months.	-	0.3
TOTAL	-	0.3

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

15. Equity Share Capital

(INR in Million)

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Authorised Equity Share Capital				
50,000,000 equity shares of INR 10 each (As at 31 st March, 2025: 150,000 equity share of INR 10 each)	50.0	500.0	0.2	1.5
Issued, subscribed and fully paid-up				
49,437,963 equity shares of INR 10 each fully paid-up (As at 31 st March, 2025: 10,000 equity shares of INR 10 each fully paid-up)	49.4	494.4	0.0	0.1

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.

Movement in issued, subscribed and paid up Equity share capital :

A. Reconciliation of number of shares outstanding at the beginning and at the end of the reporting period

(INR in Million)

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity Shares:				
At the beginning of the year/period	0.0	0.1	0.0	0.1
Add: Issued during the year/period*	49.4	494.4	-	-
Add: Pending allotment of shares pursuant to the scheme*	-	-	49.4	494.4
Less: Equity share capital cancelled pursuant to the scheme*	(0.0)	(0.1)	-	-
Balance as at the end of the year	49.4	494.4	49.4	494.5

Pursuant to the approval of the Scheme of Arrangement by the NCLT, the Company increased its authorized share capital from INR 1.5 million to INR 500 million (Refer note 35).

*The record date for determining the eligibility of the shareholders of SKF India Limited for the allotment of equity shares of SKF India (Industrial) Limited, in the ratio of one fully paid-up new equity share of INR 10 each of the Company for every one equity share of INR 10 each held in SKF India Limited (pursuant to the Scheme of Arrangement), was fixed on 15th October, 2025. The Company recorded INR 494.4 Million (49,437,963 equity shares of par value INR 10 each) as "Issued and Subscribed Share Capital" and disclosed it under Equity Share Capital. The allotment of the aforesaid equity shares by the Board of Directors of the Company was on 15th October, 2025. The existing equity shares of INR 1,00,000 (10,000 equity shares of INR 10 each) was cancelled on 1st October, 2025 (Refer note 35).

B. Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of INR 10 per share. Each shareholder is entitled to one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company, after distribution of all preferential amounts, in the proportion to their shareholding.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

C. Shares of the Company held by Holding Company and their subsidiaries

(INR in Million)

Particulars	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares (Million)	Amount	Number of shares (Million)	Amount
Equity shares of INR 10 each fully paid up held by				
(a) Holding company				
SKF India Limited	-	-	0.0	0.1
Aktiebolaget SKF (AB SKF)	26.0	259.9	-	-
TOTAL	26.0	260.0	0.0	0.1

D. The Company has not issued any bonus share, made any buy back of shares or issued any shares for consideration other than cash, during the years immediately preceding the reporting date/from the date of incorporation of the Company except shares issued pursuant to the Scheme. (Refer note 35)

E. Details of shareholders holding more than 5% equity share capital in the Company

Name of the shareholder	As at 31 st March, 2026		As at 31 st March, 2025	
	Number of shares (Million)	% of total shares in the class	Number of shares (Million)	Amount
Aktiebolaget SKF, holding company	26.0	52.6%	-	-
SKF India Limited	-	-	0.0	100.0%
HDFC Mutual Funds - HDFC Mid-cap fund	4.8	9.7%	-	-
Mirae Asset Large and Midcap Fund	4.9	9.9%	-	-
TOTAL	35.7		0.0	

F. Details of shareholding of Promoters

Name of the promoter	As at 31 st March, 2026			As at 31 st March, 2025		
	Number of shares (Million)	% of total shares in the class	% of change during the year	Number of shares (Million)	% of total shares in the class	% of change during the year
Aktiebolaget SKF, holding company	26.0	52.6%	100.0%	-	-	-
SKF India Limited	-	0.0%	(100.0%)	-	100.0%	-

16. Other Equity

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Reserves and Surplus		
Retained earnings (Refer note 35)	14,274.0	12,616.0
Capital reserve (Refer note 15)	0.1	-
TOTAL	14,274.1	12,616.0

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

A. Retained Earnings

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Balance at the beginning of the year	12,616.0	-
Add: Adjustment pursuant to scheme of demerger*(refer note 30(C))	(556.8)	-
Add: Profit for the year	2,176.7	1,213.1
Add: Other comprehensive income recognised directly in retained earning	38.1	24.3
Add: Recognised pursuant to the scheme (refer note 35)	-	11,378.6
Balance as at the end of the year	14,274.0	12,616.0

Other Comprehensive Income/Loss

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Balance at the beginning of the year	24.3	-
Add: Re-measurement of post-employment benefit obligation (net of tax)	38.1	24.3
Balance as at the end of the year	62.4	24.3

Note:

Retained Earnings: Retained earnings comprises of the amounts that can be distributed by the Company as dividends to its equity shareholders.

B. Capital Reserve

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Balance at the beginning of the year	-	-
Add: Capital Reserve created pursuant to the Scheme of Arrangement* (refer note 35)	0.1	-
Balance as at the end of the year	0.1	-

*Pursuant to the Scheme of Arrangement filed with the Securities and Exchange Board of India (SEBI) and approved by the Hon'ble National Company Law Tribunal (NCLT) under Sections 230 to 232 of the Companies Act, 2013, the existing share capital of the Company comprising 10,000 equity shares of INR 10 each, aggregating to INR 100,000, was cancelled for nil consideration on 1st October, 2025 and credited to capital reserve as per the scheme.

17. Provisions

(INR in Million)

Particulars	31 st March, 2026		31 st March, 2025	
	Current	Non-Current	Current	Non-Current
Disputed statutory and other matters	-	15.0	-	-
Liabilities for dealer incentives				
- Industrial Market (IM) Incentives	389.8	-	327.8	-
- Special Price Request	777.0	-	706.9	-
Stamp Duty and Transfer Premium (refer note 31)	1,139.2	-	-	-
Total	2,306.0	15.0	1,034.7	-
Provision for employee benefits				
- Compensated absences (Refer note 36)	169.2	-	39.6	127.5
- Gratuity (Refer note 36)	-	34.8	-	29.5
Total	169.2	34.8	39.6	157.0
	2,475.2	49.8	1,074.3	157.0

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

A. Movements in provisions

Movements in each class of provision during the financial year

(INR in Million)					
Particulars	Stamp Duty and Transfer Premium	Disputed statutory and other matters	Industrial Market (IM) Incentives	Special Price Request	Total
As on 17th December, 2024	-	-	-	-	-
Addition on account of Scheme of Arrangement (Refer note 35)	-	-	404.1	748.8	1,152.9
Provision made during the year	-	-	286.2	557.2	843.4
Provision utilised during the year	-	-	(362.5)	(362.2)	(724.7)
Reversal of provision during the year	-	-	-	(236.9)	(236.9)
As on 31st March, 2025	-	-	327.8	706.9	1,034.7
Provision made during the year	2,163.0	15.0	1,322.3	2,366.2	5,866.5
Provision utilised during the year	(500.0)	-	(977.1)	(2,121.7)	(3,598.8)
Reversal of provision during the year	(523.8)	-	(283.2)	(174.4)	(981.4)
As on 31st March, 2026	1,139.2	15.0	389.8	777.0	2,321.0

All provisions are measured at carrying values since the impact of discounting is not significant.

- (i) **Provision for disputed statutory and other matters:** This represents provisions made for probable liabilities/claims arising out of pending disputes/litigations with various regulatory authorities and those arising out of commercial transactions with vendors/employees/others. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of outflow of resources will depend upon timing of decision of cases.

The Company has reviewed the various liabilities/claims relating to tax and legal matters and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

- (ii) **Industrial Market (IM) Incentives:** The provision for other obligations is on account of coupons given on products sold by the Company and other retailers and distributors incentive schemes. The provision for coupons is based on the historical data/estimated figures. The timing and amount of the cash flows that will arise will be determined at the time of receipt of claims from customers, which is generally up to 18 months.

- (iii) **Special Price Request:** The Company operates a Sales Promotion Reward (SPR) Scheme for authorized distributors, offering rebates and incentives linked to sales performance. Expenses under the scheme are recognized in the Statement of Profit and Loss as selling and distribution costs, with provisions created where obligations are reliably estimable.

18. Trade Payables

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
(i) Total outstanding dues of micro enterprises and small enterprises	124.4	152.3
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises and related parties	357.8	1,068.9
(iii) Payable to related parties (Refer note 37)	6,913.8	3,174.0
TOTAL	7,395.9	4,395.2

Notes:

- (i) Trade payables are generally non-interest bearing and are normally settled within 30 to 90 days.
- (ii) Refer note 39 for information about liquidity risk and market risk.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

C. Details of Dues to Micro and Small Enterprises as defined under the Micro, Small and Medium Enterprises Development (MSME) Act, 2006

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal amount due to Micro and Small Enterprises*	132.6	160.6
Interest due on above	0.5	4.2
Principal amount paid to suppliers registered under the MSMED Act beyond the appointed day during the year	55.7	151.1
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year other than micro enterprises and small enterprises	-	-
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act for payment already made Disputed dues - Micro enterprises and small enterprises (MSME)	0.5	3.3
Further interest remaining due and payable for earlier years*	0	0.9

*Rounded off

D. Reconciliation to Trade Payable Total Outstanding Dues of Micro and Small Enterprises and MSME Disclosure Principal Amount

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
MSME Principal	124.4	152.3
Payables on account of capital purchases	8.2	8.3
Total Outstanding dues to Micro And Small Enterprises	132.6	160.6

19. Other current financial liabilities

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Salaries and Incentives	116.3	119.9
Payables on account of capital purchases	927.8	45.5
Other liabilities (Refer note below)	76.7	55.6
TOTAL	1,120.8	221.0

Note:

Other liabilities includes amount payable towards retention amount for trade payables, etc.

20. Other Current Liabilities

(INR in Million)		
Particulars	31 st March, 2026	31 st March, 2025
Statutory dues payable	716.6	137.9
Advances received from customers*	120.8	31.2
Others	1.8	-
TOTAL	839.2	169.1

*Refer note 21(E).

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

A. AGEING OF TRADE PAYABLES AS ON 31st March, 2026

(INR in Million)

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled (inclusive of accrued expenses)	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	121.9	2.5	-	-	-	124.4
(ii) Other than micro enterprises and small enterprises	621.4	5,926.1	721.9	1.4	0.6	0.1	7,271.5
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTAL	621.4	6,048.0	724.4	1.4	0.6	0.1	7,395.9

B. AGEING OF TRADE PAYABLES AS ON 31st March, 2025

(INR in Million)

Particulars	Outstanding for following periods from the due date of payment						Total
	Unbilled (inclusive of accrued expenses)	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises (MSME)	-	145.3	5.5	-	0.6	0.9	152.3
(ii) Other than micro enterprises and small enterprises	527.9	3,331.0	319.1	9.4	16.5	39.0	4,242.9
(iii) Disputed dues - Micro enterprises and small enterprises (MSME)	-	-	-	-	-	-	-
(iv) Disputed dues - Other than micro enterprises and small enterprises	-	-	-	-	-	-	-
TOTAL	527.9	3,476.3	324.6	9.4	17.1	39.9	4,395.2

21. Revenue from Operations

(INR in Million)

Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Revenue from contracts with customers		
Sale of products		
Manufactured goods	12,202.8	2,086.1
Traded goods	20,172.6	4,609.3
Revenue from sale of products	32,375.4	6,695.4
Sale of services	1,064.8	304.9

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Total revenue from contract with customers	33,440.2	7,000.3
Other operating income	33,440.2	7,000.3
Scrap sales	16.0	-
Technical and other service income	536.9	172.1
Miscellaneous Operating Income (includes export benefits etc.)	410.5	33.7
Total Revenue from operations	34,403.6	7,206.1

A Disaggregation of revenue

Revenue disaggregation in terms of nature of goods and services has been included above. Refer note 33 for detailed information regarding the disaggregation of revenue.

B Contracts by category

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Revenue recognized at a point in time	32,375.4	6,695.4
Revenue recognized over time	1,064.8	304.9
Total	33,440.2	7,000.3

C Performance obligations and remaining performance obligations

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognised as at the end of the reporting period and an explanation as to when the Company expects to recognise these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts that have original expected duration of one year or less.

D Reconciliation of revenue as recognised in the Statement of Profit and Loss with the contracted price:

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Contract Price	32,671.5	6,703.9
Adjustments for:		
Discounts	0.5	1.0
Liquidation damages	5.7	4.1
Incentives/rebates	762.5	291.3
Revenue from contract with customers	33,440.2	7,000.3

E Contract assets and Contract liabilities

Details of contract balances:

There are no contract assets as at 31st March, 2026 and 31st March, 2025.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Details of contracts liabilities:

The following table provides information about contract liabilities from contracts with customers

Particulars	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Contract liabilities at the beginning of the year	31.2	-
Add: Addition pursuant to the scheme of demerger (Refer Note 35)	-	15.8
Less: Revenue recognised that was included in the advance from customers balance at the beginning of the year	(31.2)	(15.8)
Add: Increase due to cash received, excluding amounts recognised as revenue during the year	120.8	31.2
Contract liabilities at the end of the year	120.8	31.2

22. Other Income

Particulars	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Interest Income from Financial assets at amortised cost		
- Fixed deposits with banks	271.3	47.4
- On loan given to related party	127.8	59.4
Gain on sale of Property Plant and Equipment (net)	-	-
Rental income (Refer note 4)	44.4	11.1
Discount on license purchased	-	3.0
Gain on foreign currency transactions and translations	78.3	-
Liabilities and provisions no longer required written back	24.3	-
Miscellaneous Income	45.1	5.7
TOTAL	591.2	126.6

23. Cost of materials consumed

Particulars	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Inventory at the beginning of the year	493.8	263.3
Add: Purchases during the year	5,744.5	1,223.7
Less: Inventory at the end of the year	599.9	493.8
TOTAL	5,638.4	993.2

24. Purchases of stock-in-trade

Particulars	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Purchases of traded goods	18,120.2	3,474.9
TOTAL	18,120.2	3,474.9

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

25. Changes in inventories of finished goods, work-in-progress and stock-in-trade

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Increase in inventory of finished goods:		
Opening inventory	895.8	792.0
Less: Closing inventory	633.6	895.8
	262.2	(103.8)
Increase in inventory of work in progress:		
Opening inventory	19.7	21.1
Less: Closing inventory	53.4	19.7
	(33.7)	1.4
Increase in inventory of traded goods:		
Opening inventory	3,327.9	3,082.0
Less: Closing inventory	4,070.8	3,327.9
	(742.9)	(245.9)
Changes in inventories	(514.4)	(348.3)

26. Employee benefit expense

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Salaries, Wages and Bonus	1,725.1	364.2
Share based payments (Refer Note 41)	28.6	8.5
Contribution to Provident and Other Funds (Refer note 36)	122.0	25.2
Gratuity (Refer note 36)	27.4	5.3
Compensated absences	46.4	13.2
Staff welfare expenses	203.4	37.9
TOTAL	2,152.9	454.3

27. Finance cost

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Interest expense on lease liabilities (Refer note 3(b))	2.1	1.4
TOTAL	2.1	1.4

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

28. Depreciation and Amortisation expense

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Depreciation of property, plant and equipment (Refer note 3(a))	290.9	89.7
Depreciation of right-of-use assets (Refer note 3(b))	12.8	0.5
Amortisation of Intangible assets (Refer note 5)	-	-
Depreciation of Investment property (Refer note 4)	10.1	2.5
TOTAL	313.8	92.7

29. Other Expenses

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Consumption of stores and spare parts	750.5	220.0
Power and Fuel	246.6	54.4
Repairs		
- Building	10.3	17.1
- Machinery	220.3	28.8
Royalty & Trade Mark Fees	482.8	(106.1)
IT Services	829.5	110.8
Rent	62.7	5.6
Insurance	32.0	8.3
Rates and Taxes	5.8	0.9
Travelling	268.9	107.0
Legal and professional fees	151.0	28.0
Payment to Auditors (Refer note 29.1)	6.1	0.4
Advertising and sales promotion	57.4	24.0
Logistic Cost	310.8	74.9
Provision for doubtful trade receivables	8.4	-
Bad debts written off	39.7	-
Directors' Commission/Sitting Fees	3.6	4.7
Loss on foreign currency transactions	106.0	164.3
Miscellaneous expenses	1,515.7	277.4
TOTAL	5,108.1	1,020.5

29.1 Payment to Auditors

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
As auditor		
- Statutory audit (including limited reviews)	4.2	0.4
- Other audit services	1.8	-

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
In other capacities		
- Certification fees	0.1	-
	6.1	0.4

29.2 Details of Corporate Social Responsibility Expenditure

The Company was incorporated on 17th December, 2024 and has incurred a loss of INR 0.7 Million during the period. The Company did not meet the threshold criteria prescribed under Section 135 of the Companies Act, 2013 with respect to net worth of INR 500 Crores or turnover of INR 1,000 Crores during the immediately preceding financial year (without restatement). Accordingly, the provisions of Section 135 of the Companies Act, 2013 read with the relevant rules relating to Corporate Social Responsibility (CSR) are not applicable to the Company for the current financial year, as it does not meet the prescribed threshold limits. Consequently, no CSR expenditure has been incurred during the year.

30. Income Tax Expense

A. Amount recognised in profit or loss

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
(a) Current Tax:		
In respect of the current year	427.3	425.8
In respect of earlier years (Refer note below)	49.9	-
(b) Deferred Tax charge/(credit):		
In respect of the current year	(441.2)	5.1
Income tax expense reported in the statement of profit and loss	36.0	430.9

Note: SKF India Limited ('the Demerged Company') has entered into a Bilateral Advance Pricing Agreement (BAPA) with the Central Board of Direct Taxes ('CBDT') in respect of financial years from FY 2012-13 to FY 2020-21, relating to certain transactions with its Ultimate Parent Company. As the financial years covered under the BAPA precede the effective date of the Demerger (01st October, 2025), and in accordance with the approved Scheme of Demerger, the Company is liable for its share of the tax payable and/or entitled to the refund receivable arising therefrom. Consequent to above, the Company has recognised an amount of INR 49.9 Million towards its share of the secondary adjustments, which has been accounted during the year ended 31st March, 2026.

B. Income tax recognised in other comprehensive income

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Tax expense on re-measurement (loss)/Income on defined benefit plans	12.8	8.1
Income tax expenses reported in other comprehensive income	12.8	8.1

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

C. Reconciliation of effective tax rate

(INR in Million)

Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Profit before tax	2,212.7	1,644.0
Tax using the Company's domestic tax rate of 25.168%	556.9	413.8
Effect of:		
Tax relating to earlier years	49.9	-
Others (Standard deduction, Provision for MSME interest etc.)*	(570.8)	17.1
Income tax credit reported in the statement of profit and loss	36.0	430.9
Tax impact of remeasurement of post employment benefits obligation recognised in other comprehensive income	12.8	8.1

*Pursuant to the Scheme of Arrangement approved by the Hon'ble NCLT, current tax assets and liabilities have not been transferred to the Company, whereas net deferred tax assets have been transferred. Consequently, Others includes an adjustment of INR 556.8 Million, representing tax on profits for the period 01st April, 2025 to 30th September, 2025, being the period prior to the appointed and effective date of the demerger.

31. Exceptional Items

(INR in Million)

Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Exceptional Items		
- Stamp duty and transfer premium	1,639.2	-
- IT cost on account of demerger	264.3	-
- Demerger expenses	22.6	-
- Gratuity on account of New Labour Codes	34.9	-
TOTAL	1,961.0	-

- (i) Pursuant to the Scheme of Arrangement, SKF India (Industrial) Limited (Resulting Company) has acquired certain parcels of land and buildings from SKF India Limited (Demerged Company). The Company is currently in the process of effecting the change in ownership name on the title deeds. The estimated premium payable towards stamp duty for such transfer is INR 1,639.2 Million.
- (ii) During the year ended March 2026, the Company has Incurred certain demerger expense for IT cost and professional services aggregating to INR 286.9 Million towards Scheme of Arrangement as explained In note 35. These restructuring costs are non-recurring in nature and do not reflect the Company's normal operating performance.
- (iii) On 21st November, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws into a unified framework governing employee benefits during employment and post-employment. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental financial impact of these changes on the basis of legal advise obtained and the best information currently available, consistent with the guidance provided by the Institute of Chartered Accountants of India. Considering the materiality and regulatory-driven, non-recurring nature of this impact, the Company has presented this incremental financial impact as "Statutory impact of new Labour Codes" under "Exceptional item" in the standalone financial statement for the year ended March 31, 2026. The incremental impact consisting of gratuity of INR 34.9 Million primarily arises due to change in wage definition.

Notes to the Financial Statements as at and for the year ended 31st March, 2026 (contd.)

The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed, if any on the measurement of liability pertaining to employee benefits.

32. Earnings per share

Basic and diluted earnings per share

The earnings per share (basic & diluted), computed as per the requirement under Indian Accounting Standard (IND AS 33) on 'Earnings per Share' is as under:

Particulars	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Basic earnings per share (INR)		
Nominal value of equity shares (INR) per share	10	10
Profit attributable to Equity Shareholders (INR in Million)	2,176.7	1,213.1
Weighted average number of Equity Shares outstanding during the year (in Millions)	49,427,963.0	49,427,963.0
Basic earnings per share (INR)	44.0	24.5
Diluted Earnings per share (INR)*	44.0	24.5

*There are no dilutive potential equity shares

33. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief operating decision maker. The Board of Directors has been identified as the Chief operating decision maker (CODM). The Company operates in only one business segment viz. 'Bearings'. This is the principal activity for the Company. The segment revenue is measured in the same way in Statement of Profit and Loss.

Information about geographical segments	(INR in Million)	
	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Segment revenue		
Within India	29,023.0	6,658.9
Outside India	5,380.6	547.2
	34,403.6	7,206.1
Segment assets*		
Within India	3,470.0	2,154.2
Outside India	-	-
	3,470.0	2,154.2

*Non Current Assets excludes Deferred Tax assets and Financial Instruments

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

34. Commitments and Contingent Liabilities

A. Contingent liabilities (to the extent not provided for):

(INR in Million)		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Claims against the Company not acknowledged as debts		
(i) Civil court cases	1,038.2	1,093.2
TOTAL	1,038.2	1,093.2

(i) Others

The Company has disclosed other claims relating to civil cases considering similar industry practices.

The Company has reviewed the various liabilities/claims relating to tax and legal matters and estimated the provision for contingencies based on assessment of its probability of outflows. These provisions have not been discounted as it is not practicable for the Company to estimate the timing of the provision utilisation and cash outflows, if any, pending resolution.

Pursuant to the Scheme of Arrangement (Demerger) between SKF India Limited (Demerged Company) and SKF Industrial Limited (Resulting Company), approved by the Hon'ble National Company Law Tribunal (NCLT) with an appointed date of 1st October, 2025, the tax-related assets and liabilities up to 1st October, 2025 have been allocated in accordance with the terms of the Scheme.

As per the provisions of the Scheme and related agreements:

All disputed tax liabilities, assets, and contingent liabilities pertaining to the period up to the appointed date continue to be retained and shall be settled in the books of SKF India Limited (Demerged Company);

Accordingly, the Company does not carry any contingent liability or disputed tax liability in respect of such matters as at the reporting date;

Upon completion of the respective assessment proceedings and final determination of tax liabilities, tax refunds, any settlement, including payment of tax, interest, or penalties, shall be undertaken between SKF India Limited and the Company into the agreed contingent liability proportion.

B. Commitments

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

(INR in Million)		
Particulars	As at 31 st March, 2026	As at 31 st March, 2025
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances of INR 11.3 Million (31 st March, 2025 INR 30.0 Million)	467.1	227.2
TOTAL	467.1	227.2

35. Scheme of Arrangement between SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors (referred as the "Scheme")

The Board of Directors of the Company at its meeting held on 26th December, 2024, has approved the Scheme of Arrangement among SKF India Limited ("Demerged Company"), SKF India (Industrial) Limited ("Resulting Company"), and their respective shareholders and creditors under section 230-232 and other applicable provisions of the Companies Act, 2013 and ruled framed thereunder (the "Scheme"). The Scheme has an appointed and effective date of 01st October, 2025. The certified copy of the NCLT Order was filed with the Registrar of Companies on 01st October, 2025 ("Effective Date").

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

During the year, the Company has received requisite approval from NCLT, Mumbai Bench, vide its order dated 26th September, 2025. Respective companies have subsequently filed the certified true copy of NCLT order along with the sanctioned scheme with the Registrar of Companies on 30th September, 2025 (closing hours). Accordingly, the Scheme is effective w.e.f. 01st October, 2025.

With effect from the Appointed and Effective Date, the Industrial Business of SKF India Limited (along with all assets, liabilities and retained earnings thereof at their respective carrying value as appearing in the books of the Demerger Company) was transferred to the Resulting Company on a going concern basis. As consideration, the Resulting Company, pursuant to the Scheme, allotted 43,437,963 Equity Shares of face and paid-up value of INR 10 each to the shareholders of the Demerged Company (as on the Record Date i.e., 15th October, 2025) in the ratio of 1:1 (one Equity Share of INR 10 each issued by the Resulting Company for every one Equity Share of INR 10 each held in the Demerged Company). Consequently, the Resulting Company ceased to be a subsidiary of SKF India Limited with effect from 01st October, 2025. The equity shares of the Company are listed on BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) in India on 05th December, 2025.

The Resulting Company has given effect to the Scheme in accordance with the accounting treatment specified therein and as per applicable accounting standards (Ind AS) as under:

- Recorded the assets, liabilities and retained earning at their respective carrying values as appearing in the books of the Demerged Company [refer details in (a) below].
- Issued 43,437,963 Equity Shares of face and paid-up value of INR 10 each to the shareholders of the Demerged Company.

(a) Carrying value of net assets of the Demerged Undertaking transferred to the Company as on Appointment date:

(INR in Million)	
Particulars	Balance as at 01 st October, 2025
ASSETS	
Non-current Assets	
Property, plant and equipment	1,607.8
Right-of-use assets	10.1
Capital work-in-progress	1,147.4
Investment properties	236.2
Financial assets	
Loans	1,576.0
Other Financial assets	253.2
Deferred tax assets (net)	277.1
Other non-current assets	16.5
Total non-current assets	5,124.3
Current Assets	
Inventories	5,306.5
Financial Assets	
Trade receivables	6,263.3
Cash and cash equivalents	5,232.8
Other Financial assets	0.1
Other Current Assets	405.4
Total current assets	17,208.1
Total Assets (A)	22,332.4
LIABILITIES	
Non-current liabilities	

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)	
Particulars	Balance as at 01 st October, 2025
Financial Liabilities	
Lease Liabilities	0.8
Provisions	156.0
Total non-current liabilities	156.8
Current Liabilities	
Financial Liabilities	
Lease Liabilities	13.3
Trade Payables	
Outstanding dues of micro and small enterprises	309.6
Outstanding dues other than micro and small enterprises	5,512.7
Other Financial liabilities	1,376.7
Provisions	304.7
Other current liabilities	43.8
Total current liabilities	7,560.8
Total Liabilities (B)	7,717.6
Retained earnings received on account of Demerger (C)	14,120.5
Shares issued as consideration (A-B-C)	494.4

The figures for the comparative period ending 31st March, 2025, have been restated as if the arrangement had occurred from the date of incorporation of the Company i.e., 17th December, 2024. Accordingly, the figures for the period ended 31st March, 2025 and year ended 31st March, 2026 include the results of the Company and the Demerged Undertaking transferred under the Scheme. Figures for period from 17th December, 2024 to 31st March, 2025 are not audited. Further, as a result of scheme became effective, the assets, liabilities and retained earnings as presented as at 31st March, 2026 reflect the impact of the scheme and are accordingly not comparable with those as at 31st March, 2025.

36. Employee benefits

A Post employment benefit plans

Compensated absences

The Compensated absences cover the Company's liability for privilege leave and sick leave. The entire amount of the provision of INR 169.2 Million is presented as current, since the Company does not have an unconditional right to defer settlement for these obligations. Expected amount towards settlement of Leave for the next 12 months are INR 33.0 Million.

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 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:

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Employee Provident Fund - Regional Provident Fund Contribution	122.0	25.2
Superannuation fund	40.5	10.1
TOTAL	162.5	35.3

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

II Defined Benefit plans

i) Gratuity

The Company operates a post-employment defined benefit plan that provides gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive between 15 days to one month's salary for each year of completed service at the time of retirement/exit.

The following table summarises the position of assets and obligation.

(INR in Million)			
Particulars	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on 17th December, 2024		-	-
Addition on account of Scheme of Arrangement (Refer note 35)	421.4	359.5	61.9
Current service cost	4.9	-	4.9
Interest cost/income	6.8	6.4	0.4
Total amount recognised in profit & loss	11.7	6.4	5.3
Remeasurements			
Return on plan assets less interest on plan assets	-	31.0	(31.0)
Changes in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	2.3	2.1	0.2
Experience (gains)/losses	(1.5)	0.1	(1.6)
Total amount recognised in other comprehensive income	0.8	33.2	(32.4)
Employer contributions	-	5.3	(5.3)
Benefit payments	(11.1)	(11.1)	-
Closing balance as on 31st March, 2025	422.8	393.3	29.5
Opening balance as on 1st April, 2025	422.8	393.3	29.5
Current service cost	34.8	-	34.8
Past service cost	31.7	-	31.7
Interest cost/income	25.3	35.5	(10.3)
Total amount recognised in profit & loss	91.8	35.5	56.2
Remeasurements			
Return on plan assets less interest on plan assets	-	13.2	(13.2)
Changes in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(3.6)	-	(3.6)
Experience (gains)/losses	(34.1)	-	(34.1)
Total amount recognised in other comprehensive income	(37.7)	13.2	(50.9)
Employer contributions	-	-	-
Benefit payments	(19.3)	(19.3)	-
Closing balance as on 31st March, 2026	457.6	422.8	34.8

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

The net liability disclosed above relates to funded and unfunded plans are as follows:

(INR in Million)		
Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Present value of funded obligations	457.6	422.8
Fair value of plan assets	422.8	393.3
Deficit/(Surplus) of funded plan	34.8	29.5

Principal actuarial assumptions used as at the reporting date:

Particulars	Year Ended 31 st March, 2026	Period from 17 th December, 2024 to 31 st March, 2025
Discount rate	6.90%	6.75%
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 2026-27 is INR 30.0 Million (FY 2025-26 INR 30.0 Million)

ii) Provident Fund

Pursuant to the demerger of SKF India Limited, effective 1st October, 2025, the Company has aligned its employee benefit obligations with applicable statutory provisions. In this regard, the Company has submitted an application to the Employee Provident Fund Organization ("EPFO") to surrender its share from the combined pension fund of SKF India Limited towards past obligations to EPFO. The application is currently under review by the EPFO, which is pending as at 31st March, 2026.

However, w.e.f. 1st October, 2025 the Company is remitting the provident fund contribution to EPFO.

The Company has certain defined contribution plans. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual and any constructive obligation. The expense recognised during the year towards defined contribution plan is INR 122.0 Million (31 March 2025 – INR 25.2 Million).

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

III Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

(INR in Million)

Particulars	Impact on defined benefit obligation							
	Change in assumption			Increase in Valuation			Decrease in Valuation	
	31 st March, 2026	31 st March, 2025		31 st March, 2026	31 st March, 2025		31 st March, 2026	31 st March, 2025
Discount rate - Gratuity	0.50%	0.50%	Decrease by	(11.6)	(6.8)	Increase by	12.4	13.5
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	10.8	13.3	Decrease by	(10.2)	(6.7)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

IV (a) The major categories of plans assets for Gratuity are as follows:

(INR in Million)

Particulars	31 st March, 2026				31 st March, 2025			
	Quoted	Unquoted	Total	in%	Quoted	Unquoted	Total	in%
Others*	-	422.8	422.8	100%	-	393.3	393.3	100%
Total	-	422.8	422.8	100%	-	393.3	393.3	100%

*The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.

The weighted average duration of the defined benefit obligation is 5.25 years (31st March, 2025 - 4.51 years).

The expected maturity analysis of undiscounted gratuity is as follows:

(INR in Million)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
31st March, 2026					
Defined benefit obligation	85.6	79.6	195.3	363.7	724.2
31st March, 2025					
Defined benefit obligation	121.2	44.8	176.4	300.4	642.8

37. Related Party Disclosures

Disclosure in respect of material transactions in accordance with Para 24 of Ind AS 24 - Related Party Disclosures

A. Name of related parties and description of relationship:

Nature of relation	Name of the related party
(a) Ultimate parent Company	Aktiebolaget SKF (AB SKF)
(b) Immediate Holding Company	SKF India Limited (Upto 30 th September, 2025)

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Nature of relation	Name of the related party
(c) Fellow subsidiary Companies	SKF International AB (Treasury Centre)
	SKF Australia Pty Ltd.
	SKF Engineering and Lubrication India Private Limited
	SKF India Limited (w.e.f. 1 st October, 2025)
	SKF Bearings Bulgaria EAD
	SKF GmbH (Special Solution Brgs & Tools)
	RFT S.P.A - SKF Italy
	SKF Industrie S.P.A. (Doh - Sim Tenute)
	SKF European Distribution Centre (Edc), Tongeren
	UAB SKF Lietuva
	Beijing Nankou SKF Railway Bearings Co Ltd
	SKF Oesterreich AG
	SKF Sverige AB
	SKF USA Inc.
	SKF Argentina S.A.
	SKF Automotive Germany GmbH
	SKF Automotive Sweden Ab.
	SKF Interim France S.A
	SKF Industrial Brasil Ltda
	SKF Interim Korea
	SKF Interim China Holdco (erstwhile. SKF Automotive (Shanghai) Co.)
	SKF France S.A.S
	SKF De Mexico S.A. De C.V
	SKF Latin Trade S.A.S.
	SKF Del Peru S.A.
	SKF Do Brasil Ltda
	SKF Chilena S.A.I.C.
	SKF Turk Sanayi Ve Ticaret Limited Sirketi
	SKF Asia Pacific Pte Ltd
	SKF (Thailand) Ltd.
	SKF Korea Ltd.
	SKF Vietnam Ltd.
	Pt. SKF Industrial Indonesia
	SKF (China) Sales Co Ltd
	SKF Distribution (Shanghai) Co Ltd
	SKF South Africa (Pty) Ltd.
	SKF Phillipines Inc
	SKF Bearing Industries Sdn Bhd
	SKF Malaysia Sdn.Bhd.
	PT SKF Indonesia
	Blohm Voss Industries (Singapore) Pte Ltd

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Nature of relation	Name of the related party
	SKF Canada Ltd
	SKF (U.K.) Limited
	SKF Polska S.A.
	SKF Marine Gmbh
	SKF Espanola S.A., Int. Mark.
	SKF Aerospace France S.A.S
	Lincoln Industrial Corp
	SKF B.V.
	SKF Sealing Solutions Gmbh
	SKF Magnetic Mechatronics
	SKF Aeroengine France
	SKF Belgium NV SA
	SKF Lubrication Systems Germany Gmbh
	Kaydon S De R.L. De C.V.
	Bfw Coupling Services Ltd
	SKF Uruguay S.A.
	SKF Portugal Rolamentos, Lda
	SKF Recondoil AB
	SKF Danmark AS
	SKF Sealing Solutions, S.A. De C.V
	SKF Financial Services Poland Sp. Z O.O
	Kaydon Corporation
	Cooper Roller Bearings Company Ltd
	M3M SAS
	Pilgrim International Ltd.
	SKF Logistics Services Belgium NV
	Venture Aerobearings LLC
	Alemite LLC
	Stewart Warner Corporation Of Canada
	SKF Magnetic Bearings
	SKF Mekan AB
	SKF Eurotrade AB
	SKF Reinsurance Co Ltd.
	Vesta SI Sweden AB
	SKF Economos Deutschland Gmbh
	SKF Zambia Limited
	SKF(Dalian) Bearings & Prec.Co
	SKF (Xinchang) Bearings And Precision Technologies Co, Ltd.
	SKF Sealing Solutions Austria Gmbh
	SKF (Jinan) Bearing & Precision Technology Co. Ltd.
	SKF Sealing Solutions (Wuhu) Co Ltd

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Nature of relation	Name of the related party
	Tenute SRL
	Peer Bearing Company-Changshan
	Ningbo General Bearing Co Ltd
	SKF Svéd Golyóscsapágy Zrt. (Sap)
	SKF Automotive Belgium Iii NV
	SKF Automotive Usa INC.
(d) Key Management Personnel	
Managing Director (Director upto 30 th September, 2025)	Mr. Mukund Vasudevan
Chief Financial Officer (w.e.f. 01 st October, 2025)	Mr. Ashish Saraf
Director (w.e.f. 01 st October, 2025)	Mr. Karl Robin Joakim Landholm
Director (w.e.f. 01 st October, 2025)	Ms. Anu Arun Wakhlu
Director (w.e.f. 01 st October, 2025)	Mr. Gopal Subramanyam
Director (w.e.f. 01 st October, 2025)	Mr. Sujeeth Mangalore Pai
Director (w.e.f. 01 st October, 2025)	Mr. Ajay Ranjit Naik
Director (w.e.f. 01 st October, 2025)	Ms. Poorva Bang
Company Secretary (w.e.f. 03 rd Febraury, 2026)	Mr. Ranjan Kumar
Company Secretary (upto 31 st January, 2026)	Mr. Shailesh Kumar Sharma
Director (upto 30 th September, 2025)	Mr. Dinesh Kumar Verma
Director (upto 30 th September, 2025)	

B. 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 31st March, 2026, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (31st March, 2025: 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.

Notes:

- The loans has been given to fellow subsidiary and the rate of interest on the said loan availed shall be equivalent to seven-year govt security, which is currently 7.5% or fixed deposit/term deposits rate, whichever is higher plus 150 bps. The rate of interest shall be reviewed every 6 months. The interest shall be payable at quarterly rest on 31st March, 30th June, September 30 and 31st, December every year on the outstanding loan amount. Term loan is valid till December 31, 2029.
- The related party transactions for the period from 17th December, 2024 to 31st March, 2025 and April 01, 2025 to 30th September 2025 has been disclosed on the basis of transactions entered into by the Company and do not include transactions of the demerged undertaking till the effective and appointed date under the scheme, as these transactions occurred within the same legal entity. (Refer Note 35).
- Managerial remuneration does not include cost of employee benefits such as gratuity and compensated absences since, provision for these are based on valuation carried out for the Company as a whole.
- Pursuant to the Scheme of Arrangement, SKF India Limited ("Demerged Company") and Company entered into Interim Transition Service Arrangements ("ISA") for the sharing of common facilities and functions. Under these arrangements, the costs attributable to such shared facilities and functions are cross charged with mark up on a proportionate basis, in the ratio mutually agreed upon by both entities, with effect from the appointed date of 1st October, 2025. The costs so cross charged are recognised in the books of account of the both entities under the respective income and expense heads.

Notes to the Financial Statements
as at and for the year ended 31st March, 2026 (contd.)

C. Related party transactions during the year:

(INR in Million)

Sr. No.	Nature of transaction/ relationship/major parties	Name of related party	01 st October, 2025 to 31 st March, 2026 (Refer note 2 above)		Period from 17 th December, 2024 to 31 st March, 2025 (Refer note 2 above)	
			Amount	Amount	Amount	Amount
A	Purchases of goods and services					
	(i) Purchases of raw materials, components, spares and finished goods		11,006.0		-	
		SKF India Limited		2,576.3		-
		SKF Engineering and Lubrication India Private Limited		2,215.1		-
		SKF GMBH		1,690.8		-
		SKF Asia Pacific Pte Ltd		1,044.7		-
		Others		3,479.1		-
	(ii) Purchases of property, plant and equipment		969.6			
		SKF India Limited		828.0	-	
		SKF INTERNATIONAL AB		119.2		-
		Others		22.4		-
	(iii) Reimbursement Paid		1,899.9		0.3	
		SKF India Limited		1,853.0		0.3
		Others		46.9		-
B	Services received					
	(i) Administrative and Service Fees		3.7		-	
		SKF International AB		2.4		-
		SKF Australia Pty Ltd.		1.0		-
		Others		0.3		-
	(ii) IT services		480.3		-	
		AB SKF		480.3		-
	(iii) ISA services (Refer note 4)		1,117.6		-	
		SKF India Limited		1,117.6		-
	(iv) Rental expense		52.3		-	
		SKF India Limited		52.3		-
C	Royalty		152.6		-	
		AB SKF		152.6		-
D	Trade Mark Fees		101.7		-	
		AB SKF		101.7		-
E	Shared based payment		17.8			
		SKF AB Sweden		17.8		-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)

Sr. No.	Nature of transaction/ relationship/major parties	Name of related party	01 st October, 2025 to 31 st March, 2026 (Refer note 2 above)		Period from 17 th December, 2024 to 31 st March, 2025 (Refer note 2 above)	
			Amount	Amount	Amount	Amount
G	Sales of goods and services					
	(i) Goods and Services		3,319.7		-	
		SKF India Limited		2,397.5		-
		SKF Asia Pacific Pte Ltd		408.8		-
		Others		513.4		-
	(ii) Technical and other service income		340.1		-	
		AB SKF		258.2		-
		Others		81.9		-
H	Other Income					
	(i) Rent Income		22.2		-	
		SKF Engineering and Lubrication India Private Limited		22.2		-
	(ii) ISA Servies Given (Refer note 4)		562.7		-	
		SKF India Limited		562.7		-
I	Reimbursements		37.1		-	
		SKF Engineering and Lubrication India Private Limited		15.1		-
		SKF Asia Pacific Pte Ltd		11.2		-
		SKF USA Inc		4.0		-
		Others		6.8		-
J	Inter Corporate Loan & Interest*	SKF Engineering and Lubrication India Private Limited	1,576.0		-	
	Beginning of the year			-		-
	On account of pursuant to the scheme of demerger			1,576.0		
	Interest charged			64.6		-
	Interest received			(64.6)		-
	End of the year			1,576.0		-
K	Issue of Share Capital		291.2		-	
		AB SKF		259.9		-
		SKF India Limited		-		0.1
		SKF U.K. Limited		31.3		-

Notes to the Financial Statements
as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)

Sr. No.	Nature of transaction/ relationship/major parties	Name of related party	01 st October, 2025 to 31 st March, 2026 (Refer note 2 above)		Period from 17 th December, 2024 to 31 st March, 2025 (Refer note 2 above)	
			Amount	Amount	Amount	Amount
L	Managerial Remuneration		80.6		-	
		Short-term employee benefits		59.5		-
		Long-term employee benefits		3.5		-
		Reimbursement paid		3.4		-
		Shared based payment		14.2		-
M	Payment to Directors		3.6			
		Sitting fees & Commission		3.6	-	-

D. Outstanding balances arising from sales/purchases of goods and services

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

(INR in Million)

Sr. No.	Nature of transaction/relationship	As at 31 st March, 2026		As at 31 st March, 2025	
		Amount	Amount	Amount	Amount
1	Trade receivable	2,671.6		-	
	SKF India Limited		1,924.6		-
	SKF International AB		489.5		-
	SKF Engineering and Lubrication India Private Limited		84.3		-
	AB SKF		146.4		-
	Others		26.8		-
2	Other receivable	288.2		-	
	SKF India Limited		288.2		-
3	Trade payables	6,913.8		0.3	
	SKF India Limited		859.0		0.3
	SKF International AB		3,536.6		-
	SKF Engineering and Lubrication India Private Limited		1,642.7		-
	AB SKF		157.8		-
	Others		717.7		-
4	Payables on account of capital creditors	767.0		-	
	SKF India Limited		767.0		-
5	Loans	1,576.0		-	
	SKF Engineering and Lubrication India Private Limited		1,576.0		-
6	Payment to Directors	1.9		-	
	Sitting fees & Commission		1.9		-

*Net off receivables of Rs. 1,118.7 million.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

38. Fair Value Measurements

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at:

Particulars	(INR in Million)					
	31 st March, 2026			31 st March, 2025		
	Fair value	Amortised Cost	Carrying Amount	Fair value	Amortised Cost	Carrying Amount
Financial assets						
Trade receivables	-	8,280.2	8,280.2	-	5,301.5	5,301.5
Cash and cash equivalents	-	5,691.7	5,691.7	-	4,531.4	4,531.4
Bank balance other than above	-	-	-	-	0.3	0.3
Loans	-	1,576.0	1,576.0	-	1,609.3	1,609.3
Other Financial assets	-	599.5	599.5	-	102.9	102.9
Total Financial Assets	-	16,147.4	16,147.4	-	11,545.4	11,545.4
Financial Liabilities						
Trade Payables	-	7,395.9	7,395.9	-	4,395.1	4,395.1
Other Financial Liabilities	-	1,120.8	1,120.8	-	221.0	221.0
Lease Liabilities	-	45.7	45.7	-	20.2	20.2
Total Financial Liabilities	-	8,562.4	8,562.4		4,636.3	4,636.3

Notes:

- (i) The fair values of all financial instruments carried at amortised cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

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.

Accounting classification and fair value

The following table shows the carrying amount and fair value of financial assets and financial liabilities:

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31st March, 2026

Particulars	(INR in Million)		
	Fair Value		
	Level 1	Level 2	Level 3
Financial assets			
Trade receivables	-	-	8,280.2
Cash and cash equivalents	-	-	5,691.7

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Bank balance other than above	-	-	-	-
Loans	-	-	1,576.0	1,576.0
Other Financial assets	-	-	599.5	599.5
Total Financial assets	-	-	16,147.4	16,147.4
Trade Payables	-	-	7,395.9	7,395.9
Other Financial Liabilities	-	-	1,120.8	1,120.8
Lease Liabilities	-	-	45.7	45.7
Total Financial Liabilities	-	-	8,562.4	8,562.4

Assets and liabilities which are measured at amortised cost for which fair values are disclosed as at 31st March, 2025

(INR in Million)

Particulars	Fair Value			Total
	Level 1	Level 2	Level 3	
Financial assets				
Trade receivables	-	-	5,301.5	5,301.5
Cash and cash equivalents	-	-	4,531.4	4,531.4
Bank balance other than above	-	-	0.3	0.3
Loans	-	-	1,609.3	1,609.3
Other Financial assets	-	-	102.9	102.9
Total Financial assets	-	-	11,545.4	11,545.4
Financial Liabilities				
Trade Payables	-	-	4,395.1	4,395.1
Other Financial Liabilities	-	-	221.0	221.0
Lease Liabilities	-	-	20.2	20.2
Total Financial liabilities	-	-	4,636.3	4,636.3

Fair valuation method

The Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

39. Financial Risk Management

Risk management framework

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the board of directors.

The Risk Management framework aims to create a stable business planning environment by reducing the impact of market related risks, credit risks & currency fluctuations on the Company's earnings.

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk pending

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

39 (A) Market risk

Market risk is the risk of any loss in future earnings, in realizable fair values or in future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the, foreign currency exchange rates, liquidity and other market changes. Future specific market movements cannot be normally predicted with reasonable accuracy.

i) Foreign Currency risk

The Company transacts internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD, EUR and SEK. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency (INR).

The Company has both Import and Export transactions in Foreign currency. The Imports are higher than the exports and hence the Company has foreign currency exposure to the extent of purchases being higher than exports, but any material variation in currency is recovered from the customers, through on going negotiation process. Thus the risk for currency fluctuation is mitigated.

The Company's exposure to foreign currency risk at the end of the reporting period are as under:

Particulars	Amount in respective foreign currencies (in Million)		Amount (INR in Million)	
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Financial Assets				
Trade Receivables				
EURO	0.3	-	27.1	-
SEK	5.9	-	57.9	-
USD	2.5	0.4	230.3	31.4
AUD	0.2	-	10.1	-
CNY	1.3	-	17.6	-
SGD	3.1	-	225.2	-
THB	0.5	-	1.4	-
TRY	1.1	-	2.3	-
ZAR	0.7	-	3.7	-
	15.6	0.4	575.6	31.4
Bank balance in EEFC				
EURO	0.1	1.9	13.9	174.2
USD	0.2	0.0	18.6	0.3
	0.3	1.9	32.5	174.5
SUB-TOTAL (A)	15.9	2.3	608.1	205.9
Financial Liabilities				
Trade Payables				
EURO	31.8	22.2	3,426.7	2,055.5
SEK	0.1	0.0	1.3	0.2
USD	4.2	4.4	399.1	379.0
SGD	0.0	0.4	1.2	23.9
CHF	-	0.0	-	0.1
JPY	-	1.3	-	0.7
GBP	-	0.0	-	0.5
SUB-TOTAL (B)	36.1	28.3	3,828.3	2,459.9
TOTAL	(20.2)	(26.0)	(3,220.2)	(2,254.0)

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

ii) Sensitivity to foreign currency risk

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit after tax	
	March 31, 2026	March 31, 2025
EURO		
Increase by 5%	(169.3)	(94.1)
Decrease by 5%	169.3	94.1
USD		
Increase by 5%	(7.5)	(17.4)
Decrease by 5%	7.5	17.4
SEK		
Increase by 5%	2.8	(0.0)
Decrease by 5%	(2.8)	0.0
SGD		
Increase by 5%	11.2	1.2
Decrease by 5%	(11.2)	(1.2)

iii) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's borrowing comprises of working capital loan which carries fixed rate of interest and which do not expose it to interest rate risk. The borrowings also includes cash credit facilities which carries variable rate of interest.

The Company's has no 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.

39 (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.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

The table below provides details regarding the contractual maturities of significant financial liabilities on undiscounted basis:

(INR in Million)					
Particulars	Carrying Amount	0-1 years	1 -2 years	2-5 years	5 years & above
As at 31st March, 2026					
Trade payables	7,395.9	7,395.9	-	-	-
Lease Liabilities	45.7	12.9	5.9	14.5	19.5
TOTAL	7,441.6	7,408.8	5.9	14.5	19.5
As at 31st March, 2025					
Trade payables	4,395.2	4,395.2	-	-	-
Lease Liabilities	20.2	9.8	10.4	-	-
TOTAL	4,415.4	4,405.0	10.4	-	-

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.

39 (C) Credit risk

Credit risk is the risk of financial loss arising from counterparty failure to repay or service debt according to the contractual terms or obligations. Credit risk encompasses both the direct risk of default and the risk of deterioration of creditworthiness.

Credit risk management

For banks and financial institutions, only high rated banks/institutions are accepted.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty ability to meet its obligations
- actual or expected significant changes in the operating results of the counterparty
- significant increase in credit risk on other financial instruments of the same counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements

The definition of default is determined by considering the business environment in which entity operates and other macro-economic factors. All receivables past due are analysed and based on scrutiny provisions for Bad Debts are made on specific identification basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk, being the total of the carrying amount of balances with bank, short term deposits with banks, trade receivables and other financial assets is disclosed at the end of the each reporting period. Refer relevant notes for details.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications at the end of each reporting period, that defaults in payment obligations will occur.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortised cost other than trade receivables. The Company follows lifetime expected credit loss model (simplified approach) for recognition of impairment loss on trade receivables.

The ageing of trade receivable as on balance sheet date is given below. The age analysis has been considered from the date when the invoices were due for payment.

(INR in Million)

Particulars	As at 31 st March, 2026			As at 31 st March, 2025		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due (Including unbilled)	6,820.9	-	6,820.9	4,487.5	-	4,487.5
Overdue up to 3 months	1,040.7	-	1,040.7	21.3	-	21.3
Overdue 3-6 months	377.1	(86.0)	291.1	736.9	(50.1)	686.8
Overdue more than 6 months	228.1	(100.6)	127.5	234.1	(128.2)	105.9
	8,466.8	(186.6)	8,280.2	5,479.8	(178.3)	5,301.5

The following table summarises the change in the loss allowance measured using expected credit loss model on trade receivables:

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
At the beginning of the year	178.3	-
Loss allowance created during the year	11.0	-
Additions pursuant to Scheme of Arrangement*	-	215.2
Loss allowance reversed during the year	(2.7)	(36.9)
At the end of the year	186.6	178.3

*Refer note - 35

40 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.

(b) Dividend

(INR in Million)

Particulars	31 st March, 2026	31 st March, 2025
Dividends not recognised at the end of reporting year		
Board of Directors in their meeting held on 12 th May, 2026 have recommended the payment of a dividend of INR 10 per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the Annual General meeting.	49.4	-

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

41. Share based payments

SKF's Performance Share Programme

Aktiebolaget SKF (AB SKF), Sweden the ultimate holding company, as part of its Performance Share Program (PSP) offers stock awards to selected employees of its subsidiaries.

The shares of AB SKF, Sweden are listed with Nasdaq Stockholm Stock Exchange, Sweden. The awards issued are vested for a period of 3 years from the date of grant depending on the performance conditions. The terms and other conditions applicable to each award granted under the PSP are generally determined by the Group Management of AB SKF. The programme covers senior managers and key employees in the SKF Group, including Group Management, with the opportunity of being allotted, free of charge, SKF shares of series B. Under the programme, no more than 1,000,000 SKF shares of series B, may be allotted. Fulfilment% is decided by the Group Management based on the performance conditions met. The number of shares definitively vested will be calculated according to the fulfilment%.

The Annual General Meeting 2025 decided on SKF's Performance Share Programme 2025. The programme covers senior managers and key employees in the SKF Group, including Group Management, with an opportunity of being allotted, free of charge, SKF B shares. Under the programme, not more than 1,000,000 SKF B shares may be allotted. The allotment of shares shall be related to the level of achievement of the total value added (TVA) target, as defined by the Board of Directors, and the SKF Group's CDP Climate Change score. The TVA performance measure is weighted 80% and the CDP Climate Change score performance measure is weighted 20%. The performance period is three years. Over the three-year programme period, the TVA performance target range is set annually by the Board against the baseline of the actual TVA achieved in the previous year. In order for allocation of shares to take place the average TVA development must exceed a certain minimum level (the threshold level). In addition to the threshold level, a target level is set. Maximum allotment is awarded if the target level is reached or exceeded.

10% of the maximum allocation is based on the reduction of CO2e emissions. After the expiry of the financial year 2025, 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.

The CDP Climate Change score is based on an extensive questionnaire requiring disclosure and performance in the 11 different categories.

Performance Categories

Business strategy, financial planning & scenario analysis

Emissions reduction initiatives

Energy

Governance

Opportunity disclosure

Risk disclosure

Risk management processes

Scope 1 & 2 emissions

Scope 3 emissions

Targets

Value chain engagement

This comprehensive assessment and the resulting score are known across the investor and customer communities as a credible third-party view on companies' approaches to climate change.

The score ranges from A (leadership level) to D- (disclosure level). SKF received an A- score in 2025.

This is higher than the latest available average scores for Europe (B) and the metal product manufacturing sector (C). The overall performance achievement for the CDP Climate Change score is the weighted average of the annual performance achievement, based on the criteria in the table. For example, if SKF's CDP score is B in year 1, A- in year 2 and A in year 3, the overall performance achievement for the full programme period is 75% $((50\%+75\%+100\%)/3)$.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

CDP Climate Change score	Performance achievement
A	: 100%
A-	: 75%
B	: 50%
<B	: 0%

The CDP Climate Change score performance measure has a number of advantages:

- It covers all aspects of SKF's climate change approach.
- All functions in SKF have the potential to contribute to the achievement.
- The score is set by an external party and the bar is raised every year, reflecting increasing stakeholder expectations. Performance achievement will require continuous improvements.
- A well-recognized way of scoring how successful SKF is in the climate improvement work and is easy to compare with other companies using CDP-scoring.

Provided that the TVA increase reaches the target level and that the Net Zero 2030 objective is met, the participants of the programme may be allotted the following maximum number of shares per person within the various key groups:

- CEO and President: shares corresponding to a value of 75% of the fixed base salary
- Other members of Group Management: shares corresponding to 55% of the fixed base salary or 13,000 shares, whichever is higher
- Managers of large business units and similar: 4,500 shares
- Other senior managers: 3,000 shares
- Other key persons: 1,250 shares

The share-based compensation programmes of the entity 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 th April, 2023	30 th April, 2024	30 th April, 2025
Exercise Price (SEK)	-	-	-
Exercise Price in equivalent INR*	-	-	-
Expected Volatility	2.2%	0.2%	0.6%
Expected dividend Yield	3.7%	3.2%	3.2%
Expected Life	NA	NA	NA
Risk Free Interest Rate	2.6%	2.1%	2.2%
Fair Value per share (SEK)	183.0	230.0	189.6
Fair Value per share in equivalent INR*	1,426.3	1,967.5	1,865.6
Options Exercisable at the end of the year	NA	9,938.6	4,621.2

*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	Number	Grant Date	Expiry Date/ Year	Fair Value at grant date (SEK)	Equivalent Fair Value INR*
Stock Awards					
PSP2024	31,112	30 th April, 2024	2027	230.0	1,967.5
PSP2025	28,038	30 th April, 2025	2028	189.6	1,865.6

*Converted using exchange rate 8.55

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(INR in Million)

Movement in stock awards during the year	Employee Stock Award Plan			
	31 st March, 2026		31 st March, 2025	
	No. of Awards	Weighted Average Exercise Price	No. of Awards	Weighted Average Exercise Price
Balance at the beginning of year	22,599	NA	-	NA
Includes balances transferred on account of Scheme of Arrangement (Refer Note 35)	-		17,903	
Granted during the year	36,551		62,209	
Adjustment during the year*	(36,807)		(50,013)	
Forfeited during the year	-		-	
Exercised during the year	(7,783)		(7,500)	
Expired during the year	-		-	
Balance at end of year	14,560		22,599	

*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.

42. 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	1.7	2.6	(33.1%)	Not Applicable*
Debt-Equity ratio (in times)	Debt consists of lease liabilities	Total Equity	0.00	0.00	100.8%	Not Applicable*
Debt service coverage ratio (in times)	Net Profit after taxes + Non-cash operating expenses + Interest + Other non-cash adjustments	Debt service = Interest and lease payments	45.1	57.0	(21.0%)	Not Applicable*
Return on equity ratio (in%)	Profit for the year	Average total equity ((Opening + Closing)/2)	15.6%	9.3%	68.8%	Not Applicable*
Inventory turnover ratio	COGS	Average Inventory ((Opening + Closing)/2)	4.5	0.8	449.4%	Not Applicable*
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables ((Opening + Closing)/2)	5.1	1.4	272.7%	Not Applicable*
Trade payables turnover ratio (in times)	Cost of goods sold	Average trade payables ((Opening + Closing)/2)	3.9	0.9	320.6%	Not Applicable*
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	3.9	0.8	408.5%	Not Applicable*

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

Ratio	Numerator	Denominator	Current year	Previous year	Change%	Remarks for variance more than 25%
Net profit ratio (in%)	Profit for the year	Revenue from operations	6.3%	16.8%	(62.4%)	Not Applicable*
Return on capital employed (in%)	Profit before exceptional items, tax and finance costs	Capital employed = Net worth + Lease liabilities	28.2%	12.5%	124.9%	Not Applicable*
Return on investment (in%)	Profit before exceptional items, tax and finance costs	Average total assets ((Opening + Closing)/2)	18.2%	8.6%	111.8%	Not Applicable*

*The ratios are not comparable due to Scheme of Arrangement.

As a result of scheme became effective, the assets, liabilities and retained earnings as presented as at 31st March, 2026 reflect the impact of the scheme and are accordingly not comparable with those as at 31st March, 2025.(refer note 35)

43. 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 unsecured working capital limit sanctioned from banks.

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(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 does not have any investments through more than two layer of investment companies as per section 2(87)(d) and section 186 of Companies Act, 2013

(vi) 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:

- 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 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:

- 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

(vii) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes to the Financial Statements

as at and for the year ended 31st March, 2026 (contd.)

(viii) 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.

(ix) Valuation of Property Plant and Equipment, intangible asset and investment property

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year. All immovable property (including leases) are in the name of Company except as disclosed in note 3a.

44. The Company did not have accounting system for maintaining its books of accounts and being maintained manually in a Microsoft Excel file for the period 17th December, 2024 to 31st March, 2025 and April 01, 2025 to 30th September 2025. The Company had very minimal transactions and was in the process of setting-up of its operations.

Further on, for the period 17th December, 2024 to 31st March, 2025 and 1st April, 2025 to 30th September 2025 (included in year ended 31st March, 2026), as reported and included in these financial statement, have been extracted by the Management from the financial information of SKF India Limited which pertains to Industrial Undertaking ("Demerged Undertaking") in accordance with Appendix C to Ind AS 103 "Business Combinations".

45. The figures for the previous year/period 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 (Industrial) Limited

Gopal Subramanyam

Chairman
DIN:- 06684319
Place: Pune

Ashish Saraf

Chief Financial Officer
PAN: AVEPS0176L
Place: Pune
Date: 12th May, 2026

Mukund Vasudevan

Managing Director
DIN: 05146681
Place: Pune

Poorva Bang

Company Secretary
PAN: BPXPB6489M
Place: Pune

Notes

[illegible]

SKF India (Industrial) Limited

Registered Office

Chinchwad,

Pune - 411 033, Maharashtra, India

CIN: L28140PN2024PLC236396

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