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25th June, 2019

BSE LISTING

NEAPS

The Secretary BSE Limited , Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.	The Manager, Listing Department National Stock Exchange of India Limited 'Exchange Plaza', C-1, Block G, Bandra Kurla Complex, Bandra (East), Mumbai 400 051
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Dear Sir,

Sub : Submission of soft copy of Annual Report 2018-19.

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed soft copy of the Company's Annual Report for the year 2018-19 along with the Notice of the Annual General Meeting.

Thanking you,

Yours faithfully,
SKF India Limited



Pradeep Bhandari
Company Secretary

Encl : a/a.

SKF India Limited

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Fostering sustainability

Annual Report 2018-2019



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Please download our pdf version at [<https://www.skf.com/in/investors/financial-results/index.html>]
Or simply scan to download

Investor information

Market capitalization as on
March 31, 2019: ₹99758.40 million

CIN: L29130MH1961PLC011980

BSE code: 500472

NSE symbol: SKFINDIA

Bloomberg code: SKF IN

AGM date: 23rd July, 2019

AGM venue: Kamalnayan Bajaj Hall, Bajaj
Bhavan, Ground Floor, Jamnalal Bajaj Marg, 226,
Nariman Point, Mumbai 400021

Disclaimer

This document contains statements about expected future events and financials of SKF India Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

Corporate information

Board of Directors

Gopal Subramanyam

Chairman (effective 16.5.2019)

Manish Bhatnagar

Managing Director (effective 16.08.2018)

Aldo Cedrone

(effective 17.5.2019)

Anu Wakhlu

(effective 16.5.2019)

Bernd Stephan

Key Managerial Personnel

Manish Bhatnagar

Managing Director

Anurag Bhagania

Director Finance

Pradeep Bhandari

Company Secretary

Auditors

M/s Price Waterhouse & Co Bangalore LLP

Business Bay, 7th Floor, Tower A, Wing 1,

Airport Road, Yerwada,

Pune – 411 006

Bankers

The Hongkong & Shanghai Banking Corp. Ltd.

HDFC Bank Limited

Share Transfer Agent

TSR Darashaw Consultants Private Limited

6-10, Haji Moosa Patrawala Industrial Estate,

20, Dr. E. Moses Road,

Mahalaxmi, Mumbai 400 011.

Fostering sustainability

Circular economy, the new economic model that is fast gaining traction globally, is slated to be the next industrial revolution. It is a solution that enables us to look at economic, social and environmental benefits in a more sustainable manner.

At SKF, sustainability is an inbuilt function of the business - which extends beyond self, up to its customers, vendors, employees and its communities. SKF believes that future growth will be based on this circular and not the linear model of growth. This journey for a sustainable tomorrow is possible only with the involvement of all people who are associated with the businesses and are a part of the journey to growth.

SKF provides reliable rotation by combining hands-on experience of over 40 industries with in-depth knowledge across SKF technologies. The Company's strength lies in the ability to keep developing new technologies that are used to create value-added solutions offering competitive advantage to customers and contributing to a sustainable global society.



SKF is committed to integrating sustainability in everything it does



SKF India – towards building a sustainable future

SKF India Ltd ('SKF' or 'the Company') was incorporated in 1961 resulting from a collaboration between AB SKF, Associated Bearing Company Limited and Investment Corporation of India Ltd. Its presence in India can be traced back to 1923 when SKF Group had set up its trading arm in Kolkata. In 1965, its first manufacturing plant was commissioned in Pune.

SKF's product portfolio consists of bearings, seals, lubrication, condition monitoring and maintenance services. Today, with manufacturing facilities located in Pune, Bengaluru and Haridwar, with sales offices across India, and a supplier network of over 300 distributors, SKF continues to serve the markets with reliable solutions.

SKF provides sustainable solutions for companies across the automotive and industrial sectors to achieve a breakthrough in friction reduction, energy efficiency, and equipment longevity and reliability. With a strong commitment to innovation, SKF India offers customized value added solutions that integrate all its five technology platforms.

Over the years, the Company has evolved from being a pioneer ball bearing manufacturing company to a knowledge-driven integrated solutions provider, helping customers achieve sustainable and competitive advantage.

“

For 110 years, we at SKF have been reducing friction, making things run faster, longer, cleaner and safer. Doing this in the most effective, productive and sustainable way contributes to our vision of a world of reliable rotation. ”

Letter to the shareholders



“

Today, over 68% of our energy usage comes from green sources. In the past five years, we have reduced our CO₂ emissions by over 26%, despite a significant increase in production. Our supply chain has graduated to using reusable, long-lasting plastic packing instead of corrugated packaging, which we estimate has saved more than 1500 trees in this year itself. ”

Rotation is everywhere around us and this rotating movement of machines and equipment is the foundation for businesses globally. For companies to maintain profitability and an edge in today's competitive markets, it is essential that their rotating equipment is reliable and dependable. This reliability is central to what SKF does.

SKF offers solutions that connect machines using Industrial Internet of Things (IIoT) enabled monitoring. Our Rotating Equipment Performance (REP) solutions help businesses drive efficiencies and increase productivity through a combination of digitalized insights, advanced predictive diagnostics, technologically superior products and an in-depth understanding of markets.

Reliability of machines and equipment is closely intertwined with the global movement towards a circular economy where businesses are conscientiously using resources in an efficient and responsible manner. For SKF India, this sustainability is integrated into all our operations. It is not the responsibility of a single department or function but transcends across the entire organization. It helps us, our vendors, our customers, our employees and all communities around us achieve a more sustainable future.

SKF Care is our definition of sustainability and fostering sustainability means identifying processes, functions, resources and customers who adopt technologies and concepts that make a positive economic, social and environmental impact. The SKF Care framework is central to ensuring sustainability in our daily operations and across the entire value chain, both upstream and downstream. We are taking systematic steps to reduce negative environmental impact and create value for our customers and the environment.

In our own operations, we are constantly looking for new and more sustainable ways in how raw materials are selected, utilized and processed. Today, over 68% of our energy usage comes from green sources. In the past five years, we have reduced our CO₂ emissions by over 26%, despite a significant increase in production. Our supply chain has graduated to using reusable, long-lasting plastic packing instead of corrugated packaging, which we estimate has saved more than 1500 trees in this year itself.

Through our **Business Care** initiatives, we offer to customers our unrivalled application knowledge and in-depth industry experience to help them not only get the best performance from their plant equipment and meet their business objectives, but we also assist them in driving down their total cost of ownership and meeting their own sustainability goals, whether it is through reducing energy losses or improving asset utilization. As an example, SKF offers remanufacturing solutions to our customers for gearboxes and bearings, thus increasing the life of the product significantly without any loss in performance. In fact, our remanufacturing of over 6000 railway bearings this past year

has saved significant costs and reduced about 600 tonnes of CO₂ emissions.

Employee Care at SKF ensures employee well-being, safety and health in all our endeavours. Our permanent employees have received an average of 2108 hours of behavioural safety training and we have recently introduced a structured program on safety behaviours. In addition, we offer our employees opportunities for upskilling and leadership development, with over 28 hours of development interventions per employee for this year.

The shift towards automation, digitalization and IIoT needs constant upskilling of resources and we are addressing this need through our flagship **Community Care** initiatives. The Youth Empowerment at SKF (YES) program helps underprivileged young men and women gain training as automotive technicians to support them with meaningful jobs and entrepreneurship opportunities. I am happy to share that we have now trained over 1900 YES beneficiaries and 80% of them are currently employed in the industry. We also run a special Scholarship Program for Girls where we are financially supporting the ambitions and dreams of many underprivileged and deserving girls in the more remote districts of Karnataka and Maharashtra through their high school and undergraduate education. I am especially proud of the fact that both these programs have a strong commitment from our employees who volunteer in selection processes for these education initiatives.

Finally, our commitment to **Environment Care** has taken new wings with the Khadakwasla dam in Pune and the Mantapa lake in Bengaluru being taken up for revitalization. We are working with local communities and NGOs who understand the need for preserving and protecting our disappearing water resources.

Our fiscal results for FY 2018-2019 are detailed in this annual report and demonstrate the underlying strength of our business. Our revenue for FY 2018-2019 was ₹ 30,345 millions as compared to ₹ 28,048 millions for the same period in the previous year. Our operating margin was 13.5% and profit after tax was ₹ 3,357 millions.

I take this opportunity to thank our valued customers, whose trust and support has made us successful over the years. The dedication of our employees in driving outcomes in a sustainable and reliable manner is reflected in our results for this year. We look forward to their energy and commitment to helping your Company achieve its strategic direction in the future as well.

Our distributors, suppliers, bankers and all stakeholders are a part of our journey and will continue to be integral in creating and delivering value in a sustainable manner.

Thank you,

Manish Bhatnagar
Managing Director

Business care

“

Delivering value for our customers in the most effective and efficient way possible is fundamental to us. The continual support, trust and loyalty granted by our customers has made us successful over the years. ”

Strengthening growth: in an ethical and transparent way

SKF has a well-defined Code of Conduct that ensures compliance with all applicable laws and regulations. This is based on the Company's core values - high ethics, empowerment, openness and teamwork - across its four areas of responsibility as mentioned below:

- Towards the business
- Towards employees
- Towards the society
- To the environment

SKF has guidelines for conservation and safeguarding of energy, water and natural resources for the entire supply chain and promotes green procurement.

Four major suppliers, from whom SKF sources raw materials for manufacturing are ISO 50001:2011 certified. (Energy Management System).

Localization also plays an important role in India. It is not only a business aspect at SKF, but it also aims at empowering its suppliers to improve their capabilities. The Company conducts workshops for local vendors focusing on spreading awareness on the Code of Conduct, ethical business practices that SKF believes is needed in today's world.

Even for indirect material commodities, SKF promotes local producers which include packaging and tooling suppliers. The Company's Code of Conduct applies not just to its large vendors but also smaller vendors, suppliers and service providers as well as the non-government organizations (NGOs) associated with SKF. To make a larger impact and for ease of understanding, these regular trainings are carried out in local languages along with all written and supporting documentation for easy comprehension and consumption.

80%

Steel procurement through sustainable sourcing

24%

energy mix is from renewable sources

Energizing growth: the solar way



For future businesses, energy is vital and its conservation and optimum utilization is extremely critical.

SKF India has laid a strong foundation for sustainable energy. Its corporate office in Pune has been awarded the coveted LEED certification (Leadership in Energy and Environmental Design) by IGBC (India Green Building Council) Platinum rating. The solar rooftop in Pune produces 68% of its annual energy requirement. SKF has solar panels in its plants as well as own offices and even receives energy from farm solar.

With a long term view, SKF initiated the program 'SustEn' (Sustainable Energy). It focuses on the demand and supply side projects along with the use of bilateral power trading of renewable and non-renewable energy sources and rooftop solar installations. This has resulted in multiple benefits such as:

- Reduction in specific energy consumption
- Reduction in GHG emissions
- Improved renewable energy mix

Through the adoption of a 'three-pronged approach', SKF has further strengthened this initiative. The key factors for the same include:

- Reduction in energy consumption through six sigma projects at all locations
- Bilateral and trading models of sourcing
- Solar installation

As a result, it has made a positive impact by reducing energy consumption over the years. This has been achieved by sourcing green power through bilateral power purchase agreements (power wheeling from hydel and wind energy source, solar rooftop and offsite solar purchase).

26.4%

Reduction in CO₂ emission in tonnes per million Indian rupees in 2018

68%

Green energy used in SKF India's Pune offices

Manufacturing 4.0: a proactive revolution

With the wave of digitalization, the engineering world is gearing up for a new revolution in long-term sustainability. Manufacturing 4.0 is the combined offering of advanced manufacturing technologies, data management and handling techniques, and automation to increase productivity, machine reliability and plant performance of the customer. The modern day smart manufacturing set-up demands smart diagnostic solutions to increase productivity and to reduce the need for unplanned downtime.

SKF understands the need for digitalization of rotating equipment. The Company has been working towards increasing reliability and has been monitoring equipment remotely for several years. SKF provides solutions which help customers consolidate all data in one place and increase asset efficiencies.

The smart sensors are placed on critical applications at manufacturing plants, that monitor machine health on a real-time basis and highlight issues well in advance. The real-time data with 24x7 availability for the customers is also backed up by experts to support critical inputs and analysis from the Remote Diagnostic Centre at Pune. SKF

can thus predict potential failure in advance and also provide possible recommendations on corrective measures using big data analytics.

This concept is tested at the Company's factories on SKF's operations. It learns from this in-house monitoring and uses those insights to develop "smart" solutions and innovative products and services for customers.

At SKF Pune factory, it has installed vibration sensors on 3 components at the "bottle-neck" machines and 9 other critical components. These sensors monitor the machine for performance, asset health and reliability. Real-time data from these sensors can be seen on the HMI display for operator information. The data is shared via the cloud with Remote Diagnostic Centre, where it is analysed further for any anomalies or deviations which could result in machine failure or sudden breakdown. This was a pilot project, the success of which was replicated at SKF's Bengaluru factory, with the same machines.

The measurable benefits include zero surprise failures, predictive approach to maintenance, 24x7 real-time data and reduced dependency on skilled and scarce resources.

45%

of downtime is due to failure of a rotating equipment

~90%

of maintenance services are "reacting to critical crisis"



Remote Diagnostic Centre

SKF Remote Diagnostic Centre (RDC) is a state-of-the-art facility which allows its solutions team to provide diagnostic services to increase machine reliability for its customers.

SKF aims at consolidating all digitalized applications under one umbrella in such a way that they function together, enabling opportunities to increase asset efficiency. This helps customers prevent failures and take timely measures to eliminate re-occurrences. Timely diagnosis and monitoring helps enhance machine reliability and availability. SKF RDC is in a position to undertake planned maintenance, scheduling of resources and elimination of unplanned downtimes, thus enabling the customer to achieve lower operating and maintenance costs. Such timely warnings and preventive actions help customers reduce their capital and operational investments. SKF's RDC can provide diagnostics, analysis and actionable suggestions to customers to avoid surprise failures and unplanned shutdown.

The RDC is completely cloud-based solution centre, monitoring machines in a holistic way to dive deeper and resolve issues without causing any loss of production.

The traditional maintenance services

- Complete shutdown
- Readings at no load condition
- Loss of production
- Involves high risk

Predictive Maintenance Service by SKF

- No unplanned shutdown
- 24X7 real time data
- Uninterrupted production
- Eliminates operational risk

Robust and responsible: Rotating Equipment Performance

Today the customer expectations from their machinery are of increased reliability, efficiency and productivity. At the same time, there is an increased requirement of energy efficiency, machine and operator safety, the lifetime of applications and systems and recyclability.

Reliability is one of the key drivers of SKF's strategic value proposition of Rotating Equipment Performance (REP). SKF offers its customers a comprehensive solution that allows them to improve their rotating equipment performance. With the REP approach, customers can maximize reliability of their rotating equipment to optimize productivity and profitability, whilst driving down the total cost of ownership.

With experience from almost every industrial sector and machine type, SKF is leading the way with digitally enabled solutions built on years of machine and application knowledge.

SKF's REP proposition enables customers to increase their focus on reliability with asset health management, move from time-based reactive to predictive maintenance, and allows them to monitor the health of their machines remotely.

SKF has helped its customers maximize operational safety and reduce product safety risks. The remote monitoring solutions eliminate the need for manual inspections and the automatic lubrication systems reduce operator safety risks.

SKF helps customers to be more sustainable with reduced energy usage, waste output, spares consumption and saving costs, hence helping deliver on the sustainability agenda. This is especially true in typical process industries where zero unplanned downtime and reduction of maintenance leads to increased production and reduced wastage. The biggest impact on sustainability is through the increased life of components and applications which the REP proposition addresses. The improved availability and utilization of the customer application minimize energy loss, thereby reducing costs for energy and the associated CO₂ emissions.



SKF solution for a cement manufacturing company

SKF proposed a solution for continuous monitoring of the application with the help of sensors along with supply of bearings.

Benefits

- Reduced human involvement, ensuring reduced human error
- No catastrophic failures since the date of installation
- Improved plant safety and reduced accidental instances
- Improved asset reliability and predictability of machine behavior

SKF solution to a metal company

SKF offered fixed price incentive based performance contract to the company.

Benefits

- Increased utilization from 50% to 95%
- Improved quality of the end product
- Reduction in down time as well as spending

SKF solution to an automotive company

SKF Digitalization based program has online condition monitoring systems for spindles. SKF diagnostic and predictive analysis from Remote Diagnostic Centre (RDC) helped an automotive company.

Benefits

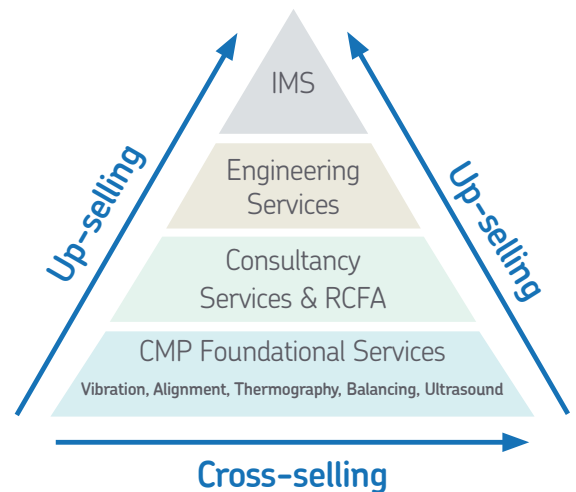
- The actual health of spindle in operations was captured with IoT based continuous online monitoring solutions. Surprise breakdown was prevented due to pre-warning SMS and mails, allowing the improvement in reliability of operation, reduction in costs due to breakdown and sudden maintenance activities.
- Improved efficiency of the asset and maintained quality of the operation
- Production loss of vehicles was saved by avoidance of unplanned machine downtime

Reliable diagnosis: Certified Maintenance Partners

SKF India empowers its authorized distributors as the local Certified Maintenance Partners (CMP) to help customers achieve their maintenance goals. The CMPs are equipped with technology and possess the know-how to work with the entire range of SKF products and services including high end engineering support. The CMP program helps the Company's customers get a quick response from a service provider who identifies the problem, suggests corrective actions and can combine local resources to address these concerns. At SKF, CMPs are trained and certified by SKF to a 360-degree holistic approach when accessing the running condition of the customer's machinery.

36

AIDS registered as CMPs
till April 2019



Co-creating values by

- Improving equipment reliability
- Increasing plant uptime
- Reducing unplanned breakdowns
- Suggesting solutions and resolving most reliability issues

SKF Value Proposition

Customer centricity

SKF CMPs cater to the requirements of the customers in their local areas ensuring high quality, competitive and Predictive Maintenance (PdM) services. The local presence results in knowing the customer better, cost savings and quick response times and identify predictive maintenance opportunities.

Driving distributor growth

Offering maintenance and PdM services would enable distributor growth and open cross-selling opportunities. Partnering with SKF assures the adoption of latest technology, best practices and reliable service.

A key to circular economic growth: remanufacturing

Remanufacturing of bearings can offer significant benefits to customers with reduced life-cycle costs and reduced downtimes. SKF offers speedy remanufacturing services as a part of its solution to increase asset uptime for its customers. Besides the cost benefits remanufacturing also helps in achieving sustainability goals.

To ensure optimized asset utilization smart maintenance is in delivering remanufactured products quickly and cost-effectively. Considering this, SKF's solution factories are located strategically close to the customer, to support their maintenance services; a critical task that determines the overall performance of a plant.

SKF solution factories

SKF Solution Factory, a combination of people and technology provides customized solutions for its customers. At SKF knowledge and services are applied to design and deliver solutions to the toughest productivity challenges; be it an underperforming machine or implementation of plant-wide cycle management program. Whatever the challenge, SKF solution factories can utilize the entire application know-how to offer a solution.

In India, SKF has its Solutions Factories located in Pune, Bengaluru, Manesar and Jamshedpur.

Gearbox remanufacturing

As an industrial solutions provider, SKF diagnoses issues with the gearbox. Gearbox applications are of critical importance for smooth plant operations. Unpredictable breakdowns can impact plant operations negatively. Sudden failure and time to replace a gearbox becomes time bound and results in a plant coming to a standstill.

At SKF, predictive maintenance technologies assist customers to identify and optimize the timing for gearbox removal, remanufacture and attain maximum production efficiencies.

Hydraulic cylinder solutions

SKF is well-positioned to meet the increasing demand for all types of sealing solutions. It comprises several long-service-life components like patented hydraulic seals, dedicated seal materials, self-lubricated and sealed spherical plain bearings, and self-lubricated and sealed bushings.

Through its network, SKF Solution Factories provide repair services for hydraulic cylinders with quality, flexibility and serviceability.

6,000
nos

Railway bearings (201 ton steel)

83
nos

Large size bearings (35 ton steel)

961
nos

Spindles

85,356
nos

Customized (hydraulic) seals manufactured

Employee care

“

A world of reliable rotation can only be achieved by reliable people. The unique strength of the Company is the ability to combine pan-industrial segment expertise with an understanding and appreciation of local needs. ”

SKF is focused on a central element of employee care, safe workplaces, good health and well-being of its employees. The HR team has built a structured approach to provide opportunities for employees to grow and develop. Awareness programs are launched for the managers and also for the union leaders with an objective to provide an insight into the capabilities needed for the future workforce. SKF remains invested in employee skills, upskilling and enablement in technology.

Enhancing gender diversity among the workforce has been a continuing journey at SKF. During the year under review, women employees were deployed on the factory shop floor in core manufacturing and other support functions. Continuing with the policy of being an equal opportunity employer, the recruitment process ensures that equal opportunity in all positions at all levels is given to all genders.

At SKF, building flexibility, driving productivity and driving competence in the factories has been a continuous effort. The policies on maternity, paternity and work from home





after childbirth are continually reviewed to make them progressive in providing a comfortable environment to the employees during their critical life stages.

An integral part of the workforce, the blue collar employees are provided with programs to improve their life skills and to develop their personalities which will go a long way in building the culture in the factories. Leadership development programs are also introduced for Unions and Work Council members to build their competence and nurture a collaborative way of working. Experienced operators from the shop floor have also been developed as internal trainers. SKF has sponsored employees from the management and blue collar to compete at international competitions by ICQC at Singapore. With a view to develop future leaders, SKF has created specialized programs across different levels to accelerate readiness for employee growth. Participants were assigned real-time business challenges to address as a part of their development journey.

2108
hours

Behavioural safety training

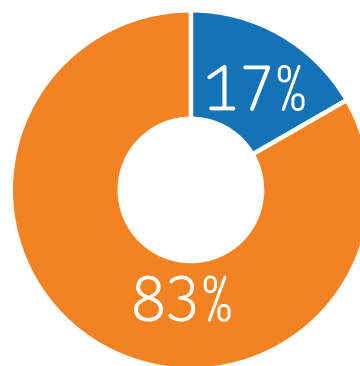
As a part of its employee care perspective, SKF is committed to provide a healthy and safe work environment, free from accidents, injuries and occupational health hazards. A major initiative taken in the year is the introduction of a structured program on Safety Behaviour for the line managers and the blue collar employees with the objective to changing the mindset about safety so that there is a sustained cultural change in the factories.

Providing growth opportunities to the employees has been a high focus at SKF. Internal job postings have been one of the channels for talent to move across to new roles and thus grow. In addition to it, job rotation has been a vehicle for growth and development. HR works closely with the business verticals to drive job rotations within and across functions.

The fact that SKF has a comparatively low attrition rate as compared to industry, speaks well of the impact of these initiatives.

The SKF leadership is committed to create and drive sustainable human resource development strategies, processes and practices that will continue to ensure sustained competitive advantage. It continually strives to be a preferred employer and the management deeply appreciates the spirit and commitment of its employees who continually strive to ensure the growth of the Company.

GET / MT batch of 30 was recruited out of which 25 were young women



Environment care

“

Everything we do has an impact on the environment and every stage in our value chain presents us with the possibility to reduce the environmental impact. ”



While the Company strives towards a 'frictionless' world, corporate responsibility is an integral part of its business. It strongly believes in sustaining/preserving and protecting the environment through its operations. On this journey, SKF India has focused on the depreciation in the quality of water bodies, which is a major concern and has created a negative impact on the environment. As a preliminary step towards it, SKF India has joined hands with an NGO to revitalize the Manatapa lake in the south Bengaluru, where one of SKF's large manufacturing operations are located. It is called the SKF Eco Impact Park.

This program concentrates on the following key aspects:

- Restoration of water quality in the lake through de-silting
- Removal of garbage, pollutants and soil from the lake to increase its capacity to withhold water
- Soil enhancement and pitching of slit on the periphery of the lake

- Dedicated participation for preserving the environment

The result will be an improvement in the ground water levels in that area and increase in fresh water supply for the local community. The most important aspect of this initiative is the active involvement of the community around Mantapa Kere. It is an initiative for the community, by SKF India, to be taken forward by the community.

Along with the lake in Bengaluru, SKF supports dam desilting at Khadakwasla, Pune through an NGO. This has led to an increase in water capacity of dam, resulting in an increase in water for the city. Plantation at the site of the lake has also been done by SKF employees and their families.

This way, the Company is trying to conserve a lake and promote positive impact to the environment.

Water and natural resource integrated project, Ahmednagar

- Stores water for 668 acres of land
- Positively impacts 3000 inhabitants

Parisara Kalika Mantapa

One unique feature that has been introduced is a "Nature Learning Centre" (Parisara Kalika Mantapa), for children and young adults on ecology and the importance of ecosystem services for businesses and community. Nature experts visit the lake on pre-defined days and educate the children through picture books, nature walks and practical demonstrations.



Awards

- SKF India Pune factory won the Frost & Sullivan Manufacturing Excellence Awards 2018 for the "Future Ready Factory"
- SKF India won the Best Sustainability Practice Award from Tata Steel SSE
- SKF India is one of Top 100 "Best Companies for Women in India 2018"
- SKF India is recognized with the "Best Vendor award 2018 - 19" from the Transportation group of BHEL, Bhopal
- SKF YES Bengaluru Centre has been accredited by TVS Motor company as "TVS Certified Vocational Centre"
- ACE Designers awarded SKF India as the winner of "Outstanding Support 2017-18" at Bengaluru

Community care

“ Our most fundamental responsibility towards society is to manage our business and operations in a responsible and accountable manner. ”



Fostering sustainability from the community care perspective

SKF plays a very active role in the communities it operates in and is guided by the vision of the community care program: 'To create a positive change in the life of the communities neighboring the operations, and create a meaningful difference from the recipient's perspective'.

SKF supports youth, sports and education and vocational training, creating an additional positive social impact. The work the Company does, does not start and end within SKF boundaries but extends to its communities helping all move forward on the sustainability challenges.

Youth Empowerment at SKF (YES)

More than half of India's population is below the age of 25 and more than 65% is below the age of 35. It is critical to provide employment that addresses the social and economic needs. SKF India's YES initiative works within the communities to create meaningful and sustainable opportunities for the underprivileged youth.

This flagship initiative provides youth the opportunity to gain skills as auto mechanics for two and four wheeler servicing, auto-electrical repair, AC repair, wheel alignment, balancing and tyre care.

SKF YES initiative was started in 2015 and has now expanded to six locations in 2018 – two centres in Pune (Chinchwad and Kiwale), Bengaluru, Haridwar, Jorhat and Ahmedabad.

In order to help the students gain all round development, the program includes sessions on communication skills, customer service, finance and business management skills as well.

80%
students

working at multi-brand garages

150
beneficiaries

from Northeastern India alone, with participants from 21 states

SKF Sports Education Program

Sport plays an important role in the physical, socio-emotional and cognitive development of children. SKF works towards nurturing this development of children from underprivileged backgrounds in the surrounding communities where it operates. SKF Sports Education Program provides a perfect platform to the children to learn team work, collaboration, gamesmanship and holistically develops them into better individuals.

The SKF Sports Education Program is functional at Pune and Ahmedabad. Every year, a batch of 30 boys and 30 girls is enrolled at each location for a five year SKF Sports Education Program. SKF, along with its NGO partner, provides access to a football ground, recreation area and certified coaches for systematic sports coaching for boys and girls from the surrounding municipal schools.

The team works with the parents and children to provide information on fitness, nutrition and personality, development and promotes enhanced attendance and academic focus. They are also provided with added facilities like equipped class rooms, activity halls and dressing rooms.

As part of the progress, the positive impact on health has



resulted in visible changes in their growth, weight and fitness levels. Improvement in personality, social behavior, enhanced attendance and academic performance are noticeable outcomes appreciated by the schools.



SKF Scholarship Program for Girls

SKF Scholarship Program for Girls is an initiative towards empowerment of women, especially young girls from the economically weaker sections, through education.

SKF has initiated a scholarship program to support the education of deserving girl students pursuing class 11th and 12th+ professional course. The girls awarded scholarships are supported from grade 11th till they complete the higher education to pursue education of their choice. The support

includes tuition fees, books, educational material support, hostel fees and other expenses for the girls relocating to cities for education.

Through this initiative, SKF strives to contribute to the development and empowerment of women in India and encourage more women to step into the professional domain. SKF also imparts soft skills training and career counselling programs for these students.

80
scholarships

were provided to girls (with 40 in 2017-18 and 40 more girls added in 2018-19)

The 10 year financials

(₹ in millions)

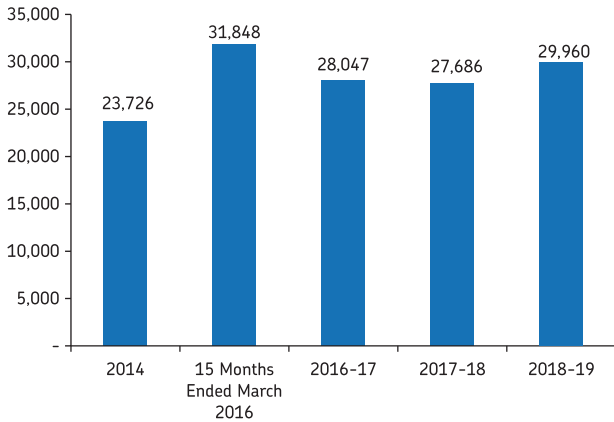
	As per Ind AS				As per Indian-GAAP					
	year ended on 31.3.2019	year ended on 31.3.2018	year ended on 31.3.2017	15 months ended on 31.3.2016	2014	2013	2012	2011	2010	2009
Net sales	29,960	27,686*	28,047*	31,848*	23,726	22,464	22,041	24,167	20,684	15,709
Profit before tax	5,242	4,555	3,756	3,945	3,062	2,530	2,831	3,139	2,661	1,431
Profit after tax	3,358	2,959	2,439	2,559	2,028	1,667	1,901	2,085	1,770	942
Cash earning per share (₹)	75	66	55	62	49	41	44	47	40	23
Rate of dividend (%)	120	120	100	150	100***	75	75	75	70**	40
Gross block	11,234	11,021	10,657	10,315	10,315	10,351	10,045	9,190	8,472	7,693
Net block	2,671	2,753	2,806	2,980	3,654	4,011	4,072	3,547	3,193	2,568
Total borrowings	900	850	340	650	0	0	0	0	0.1	1
Share capital	494.4	513.4	527	527	527	527	527	527	527	527
Reserves & surplus	16,475	17,860	17,585	16,119	13,635	12,228	11,026	9,585	7,960	6,620
Book value per share in ₹	332	356	343	316	269	242	219	192	161	136
Shareholders' nos.	23,505	23,549	24,653	24,635	24,353	21,219	22,070	23,102	25,969	27,350
Employees' nos.	1,759	1,779	1,789	1,824	1,962	2,052	2,053	2,165	2,122	2,152

* Net sales for Q1 of 2017-18, year ended 31.3.2017 & 15 months ended on 31.3.2016 includes Excise duty as per Ind AS, whereas 2014 & prior period are excluding Excise duty as per Indian-GAAP. In accordance with Ind AS 18- Revenue, GST (Goods and Services Tax) is not included in net sales w.e.f from July 1, 2017.

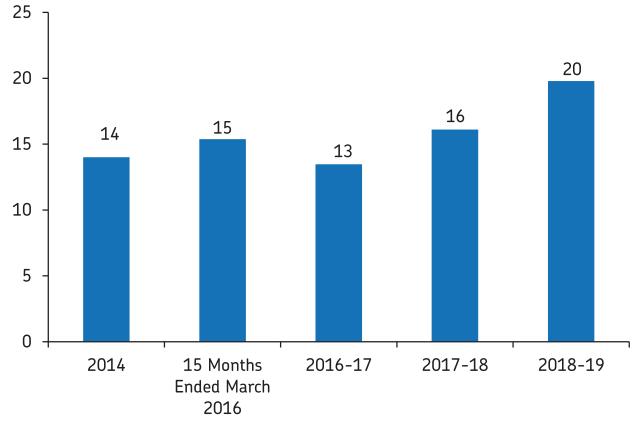
** Dividend of 70 % Includes 10% Golden Jubilee Special Dividend.

***Dividend of 100% includes interim dividend of 75%.

Sales (₹ in millions)

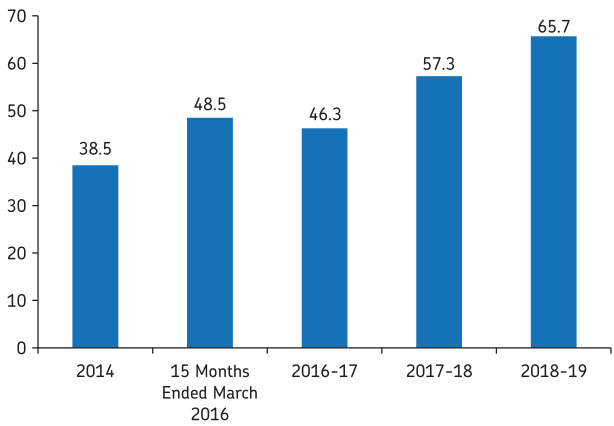


RONW (%)

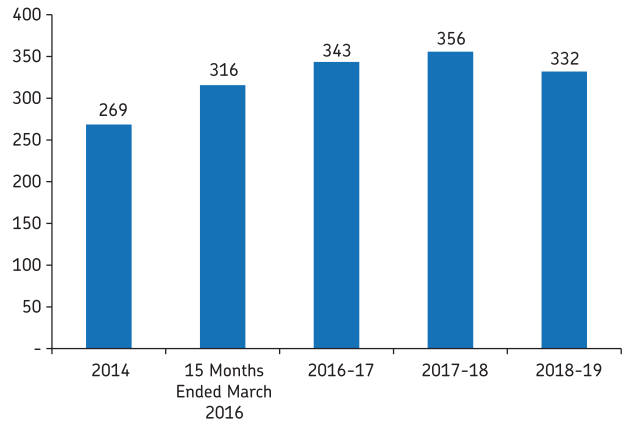


RONW = PAT / Shareholders' Funds

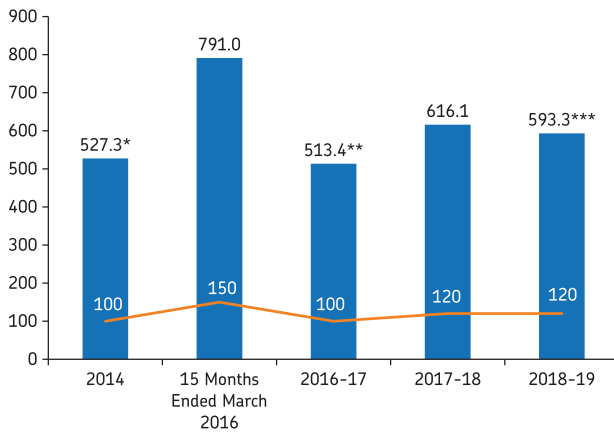
Earnings per share (in ₹)



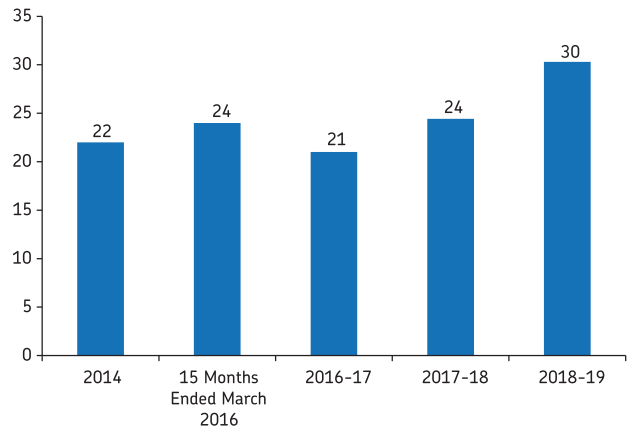
Book value (₹ per share)



Dividend (₹ in millions & % per share)



ROCE (%)



ROCE = PBT / Capital Employed

* Including 396 of Interim Dividend

** Dividend figure for 2017 is at reduced capital after Buyback of equity shares

*** Dividend figure for 2018-19 is at reduced capital after Buyback of equity shares

NOTICE

NOTICE is hereby given that the Fifty Eighth Annual General Meeting of the Members of SKF India Limited will be held at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400021 on Tuesday, July 23, 2019 at 3.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the year ended March 31, 2019 together with Reports of the Directors and the Auditors thereon.
2. To declare a dividend on Equity Shares for the financial year ended March 31, 2019.
3. To appoint a Director in place of Mr. Bernd Stephan (DIN 07835737) who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and, if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications or amendments or re-enactments thereof for the time being in force) M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants, (Firm’s Registration Number 007567S with the ICAI) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for a term of four years from the conclusion of this Annual General Meeting till the conclusion of 62nd Annual General Meeting of the Company to be held in the year 2023 on such remuneration as may be decided by the Audit Committee / Board of Directors of the Company from time to time.”

SPECIAL BUSINESS:

To consider and if thought fit, to pass the following Resolutions:

5. **Appointment of Mr. Gopal Subramanyam (DIN 06684319) as an Independent Director of the Company. As an Ordinary Resolution**

“RESOLVED THAT Mr. Gopal Subramanyam (DIN 06684319), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 16, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Article 129 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from

a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

“RESOLVED FURTHER that pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulations 17, 17A and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of Mr. Gopal Subramanyam, who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from May 16, 2019 to May 15, 2024 be and is hereby approved.”

6. **Appointment of Ms. Anu Wakhlu (DIN 00122052) as an Independent Director of the Company. As an Ordinary Resolution**

“RESOLVED THAT Ms. Anu Wakhlu (DIN 00122052), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 16, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”) and Article 129 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulations 17, 17A and other applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), as amended from time to time, the appointment of Ms. Anu Wakhlu (DIN 00122052), who meets the criteria for independence as provided in Section 149(6) of the Act and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing from May 16, 2019 to May 15, 2024 be and is hereby approved.”

**7. Appointment of Mr. Aldo Cedrone (DIN 0008455073) as a Director of the Company
As an Ordinary Resolution**

“RESOLVED THAT Mr. Aldo Cedrone (DIN 0008455073), who was appointed by the Board of Directors as an Additional Director of the Company with effect from May 17, 2019 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 (“Act”), Article 129 of the Articles of Association of the Company and other applicable provisions of the Act, liable to retire by rotation, but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.”

**8. Appointment of Mr. Manish Bhatnagar (DIN: 08148320) as a Director of the Company
As an Ordinary Resolution**

“RESOLVED THAT Mr. Manish Bhatnagar (DIN: 08148320) who was appointed as an Additional Director of the Company with effect from August 16, 2018 by the Board of Directors and who holds office up to the date of this Annual General Meeting under Section 161 of the Companies Act, 2013 (“the Act”), Article 129 of the Articles of Association of the Company and other applicable provisions of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company.”

**9. Appointment of Mr. Manish Bhatnagar (DIN: 08148320) as Managing Director of the Company
As an Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 including any statutory modifications or re-enactment thereof and subject to such other approvals as may be necessary, the appointment of Mr. Manish Bhatnagar as Managing Director of the Company, not liable to retire by rotation, for a period of five years with effect from August 16, 2018 on the terms and conditions and remuneration as contained in the agreement dated 16.8.2018 between Mr. Manish Bhatnagar and the Company, copy whereof initialed by the Chairman for identification is placed before the meeting be and is hereby approved.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profit in any financial year the remuneration payable to Managing Director shall be governed by Section II, Part II of Schedule V of the Companies Act, 2013 or any statutory modifications thereof or re-enactments thereof, or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

“RESOLVED FURTHER THAT the Nomination & Remuneration Committee / Board of Directors of the Company be and are hereby authorized to increase, alter and vary the aforesaid terms as to remuneration including perquisites without further reference to the Members, subject to the same not exceeding the limits specified under Section 197, read with Schedule V to the Companies Act, 2013, as in force from time to time and to do all such acts, matters, deeds and things as are usual or expedient to implement this resolution.”

**10. Approval of transactions with AB SKF
As an Ordinary Resolution**

“RESOLVED THAT pursuant to Regulation 23 and any other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“the SEBI Listing Regulations”) (including any amendment(s) or modification(s) or re-enactment thereof), effective from July 1, 2019, approval of the members of the Company be and is hereby accorded for continuation of the payment of general license fees (royalty and trademark fee) by SKF India Limited (“the Licensee”) to Aktiebolaget SKF (“the Licensor”), being a related party, at the rate of 5% (Five percent), of the total net sales of the Products manufactured by the Company as per the terms and conditions of the existing General License Agreements (“GLAs”), notwithstanding that the transaction(s) involving payments to the Licensor with respect to general license fees (royalty and trade mark fee), during any financial year including any part thereof, is considered material related party transaction(s) being in excess of the limits specified under the SEBI Listing Regulations at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) be and is hereby authorized by the members of the Company to make amendment(s) to the GLAs, from time to time, for the updation of products and/or updation of schedule of trademarks and/or change of the Licensor to any other SKF affiliate entity and/or other terms relating to operation of the GLAs, provided that the payment of general license fees (royalty and trade mark fee) taken together shall not exceed the rate of 5% (Five percent), of the total net sales price of the Products manufactured by the Company as per the terms of the GLAs.”

11. Ratification of Remuneration to Cost Auditor 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 and The Companies (Audit and Auditors) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the Company hereby ratifies and confirms the remuneration of ₹4,10,000/- (Rupees Four lakhs and ten thousand) plus applicable taxes and out-of-pocket expenses incurred in connection with the cost audit, payable to M/s. R A & Co., Cost Auditor, Mumbai having Registration No. 000242 appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the year 2018-19.

By Order of the Board
SKF India Limited

P. Bhandari
Company Secretary

Registered Office:

Mahatma Gandhi Memorial Building,
Netaji Subhash Road,
Mumbai 400 002.

CIN No.: L29130MH1961PLC011980

E-mail: investors@skf.com

Website: www.skfindia.com

Telephone No.: 022-22857777

Date: May 15, 2019

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (“AGM” or “Meeting”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Instrument appointing a proxy should however be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions / authority, as applicable, issued on behalf of the nominating organization.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more

than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights then such proxy shall not act as a proxy for any other person or Member.

2. The Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 (“the Act”), concerning the Special Business in the Notice is annexed hereto and forms part of this Notice.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday July 15, 2019 to Tuesday, July 23, 2019, both days inclusive, for the purpose of payment of dividend, if declared at the Annual General Meeting.
4. The dividend on equity shares, as recommended by the Board of Directors, if declared at Annual General Meeting, will be paid:
 - i) in respect of shares held in physical form to those shareholders whose names stand on the Register of Members of the Company on Friday, July 12, 2019; and
 - (ii) in respect of shares held in the dematerialized form to those deemed members whose names appear in the statements as furnished by the depositories for this purpose as at the end of the business hours on Friday, July 12, 2019.
5. Beneficial Owners of shares in demat form are advised to get particulars of their Bank account updated with the Depository Participant (DP) as in terms of SEBI Guidelines and the regulations of NSDL & CDSL, their Bank Account details, as furnished to the DP, will be printed on their dividend warrants. The Company will not entertain requests for change of such bank details printed on their dividend warrants.
6. The amount outstanding in unpaid dividend account in respect of financial year 2012 and shares where dividend had remained unpaid for last seven years will be transferred to the ‘Investor Education and Protection Fund’ maintained with the Central Government.

The Company has placed on its website www.skf.com/in, the information on unclaimed dividends.
7. The Ministry of Corporate Affairs has introduced a ‘Green Initiative in Corporate Governance’ by allowing paperless compliances by companies. It has issued circulars stating

that documents including Annual Report can be sent by e-mail to its shareholders. Your Company welcomes this green initiative for paperless communication, which is in line with its focus on eco friendly and sustainable products and services.

To support this green initiative in full measure, shareholders who have not registered their e-mail addresses, so far, are requested to do so in respect of electronic holdings with the depository through their concerned participants.

In accordance with the provisions of Section 101 of the Act read with Rule 18 of the Companies (Management and Administration) Rules, 2014 as amended, the copy of Annual Report of the Company for the Financial Year 2018-19 and this notice, inter-alia, indicating the process and manner of e-voting along with Attendance Slip and proxy form are being sent by e-mail, unless any member has requested for a physical copy of the same, to those members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their DP (in respect of shares held in electronic form) and made available to the Company by the depositories. This notice and the Annual Report 2018-19 will also be available on the Company's website www.skf.com/in in the investors section.

In case you wish to get a physical copy of the Annual Report, you may send your request to "csg-annualreports@tsrdarashaw.com" mentioning your Folio / DP ID & Client ID.

8. Members desiring any information relating to the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready.
9. All documents referred to in the notice and the explanatory statement requiring the approval of the members at the meeting and other statutory registers shall be available for inspection by the members at the registered office of the Company during office hours between 11.00 a.m. and 1.00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to and including the date of the annual general meeting.
10. Route Map showing directions to reach the venue of the 58th AGM is being provided in the Annual Report. The route

map has been uploaded on the website of the Company viz. www.skf.com/in

11. Process of Members opting for e-Voting:

- (1) E-voting: In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and the provisions of Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by National Securities Depository Limited (NSDL), on all resolutions set forth in this Notice. The facility for voting, either through electronic voting system or ballot paper shall also be made available at the AGM and the members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the AGM.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:
Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

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 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password 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 folio number is 001*** and EVEN is 101456 then user ID is 101456001***.

5. Your password details 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 mailbox. Open the email and open the attachment i.e. a .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, your 'initial password' is communicated to you on your postal address

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.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address
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.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-voting. Click on e-voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-voting as the voting page opens.
5. 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.
6. Upon confirmation, the message "vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. 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 authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to skf.scrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.
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 toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

Other Instructions:

- i. The e-voting period commences on Saturday, July 20, 2019 (9.00 a.m. IST) and ends on Monday, July 22, 2019 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on Tuesday, July 16, 2019 i.e. cutoff date, may cast their vote electronically.
- ii. 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 / it shall not be allowed to change it subsequently.
- iii. The voting rights of Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on Tuesday, July 16, 2019. 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 or ballot paper.
- iv. 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. July 16, 2019 may obtain the login id and password by sending a request at pallavid@nsdl.co.in, [/evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). 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.

- v. In case Shareholders are holding shares in demat mode, USER ID is the combination of (DPID + Client ID). In case, Shareholders are holding shares in Physical mode, USER ID is the combination of (EVEN No. +Folio No).
- vi. A member may participate in the Annual General Meeting even after exercising his right to vote through e-voting but shall not be entitled to vote again.
- vii. Mr. P.N. Parikh and failing him Mr. Mitesh Dhabliwala and failing him Ms. Sarvari Shah of M/s. Parikh and Associates, Practicing Company Secretaries, has been appointed as the Scrutinizer to scrutinize the voting process (electronically or otherwise) in a fair and transparent manner.
- viii. The scrutinizer shall on conclusion of the voting at the AGM first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.skfindia.com 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

STATEMENT SETTING OUT MATERIAL FACTS UNDER SECTION 102 OF THE COMPANIES ACT, 2013**Item No. 4**

M/s Price Waterhouse & Co Bangalore LLP, Statutory Auditors were appointed by the members in the 54th Annual General Meeting (AGM) for a period of four years. As per the provisions of the Companies Act, 2013, Statutory Auditors are entitled to be reappointed for a further period of four years. The proposed audit fees payable to statutory auditors should not exceed INR 85 lacs in a year (excluding taxes and including out of pocket expenses) subject to approval from Audit Committee /Board of Directors

M/s Price Waterhouse & Co Bangalore LLP (Firm Registration No. 007567S/5-200012) (the 'Firm') is a separate, distinct and independent member firm of the PW India Network of Firms which includes 12 similarly situated independent Firms, each of

which is registered with the Institute of Chartered Accountants of India. PW India Network of Firms cumulatively are more than 100 years old in India and have offices in 8 cities in India - Mumbai, Ahmedabad, Gurgaon, Bengaluru, Kolkata, Hyderabad, Pune, Chennai. The registered office of the Firm is at Bengaluru.

The Firm has 61 Assurance Partners as at March 31, 2019.

The Chartered Accountancy profession in India is governed by the Chartered Accountants Act, 1949 (the 'Act') and as per the provisions of the Act, PW India network firms are subject to peer reviews which are conducted regularly by the Institute of Chartered Accountants of India (ICAI). The Firm has a valid Peer Review certificate and has been subject to inspection by the Quality Review Board.

The Firm serves large clients like listed, large private entities and entities in similar industries.

The Firm complies with the relevant requirements of quality control as per International Standard on Quality Control 1 (ISQC 1): Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements; and Indian SQC 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and other Assurance and Related Services Engagements.

The Statutory Auditor has consented to their appointment and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

Item No.5 to 6

Based on recommendations of Nomination and Remuneration Committee (NRC), the Board of Directors appointed Mr. Gopal Subramanyam and Ms. Anu Wakhlu as Additional Directors of the Company and also as Independent Directors of the Company, not liable to retire by rotation, for a term of 5 (five) consecutive years with effect from May 16, 2019 to May 15, 2024 subject to approval of the Members.

Pursuant to the provisions of Section 161(1) of the Act and Article 129 of the Articles of Association of the Company, each of these Directors shall hold office up to the date of this AGM and are eligible to be appointed as Directors. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), proposing their candidature for the office of Directors.

The Company has received declarations from Mr. Gopal Subramanyam and Ms. Anu Wakhlu, to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act read with the Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("SEBI Listing

Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. In the opinion of the board, each of these Directors fulfil the conditions specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and they are independent of the management of the Company. The terms and conditions of their appointment shall be open for inspection by the Members at the Registered Office of the Company during the normal business hours on any working day (except Saturday) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

A brief profile of Mr. Gopal Subramanyam and Ms. Anu Wakhlu are provided in the Annexure to the Notice.

The Board accordingly recommends the resolutions at Item Nos 5 to 6 of this Notice for the approval of Members. None of the other Directors or Key Managerial Personnel of the Company and their respective relatives except Mr. Gopal Subramanyam and Ms. Anu Wakhlu for their respective resolutions is in any way, concerned or interested in the Resolutions.

Item No.7

The Board of Directors on recommendation of NRC appointed Mr. Aldo Cedrone (DIN 0008455073) as an Additional Director of the Company with effect from May 17, 2019. Pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Article 129 of the Articles of Association of the Company, Mr. Aldo Cedrone holds office of the Director up to the date of this Annual General Meeting but is eligible for appointment as a Director. The Company has received a notice in writing pursuant to Section 160 of the Act, from a Member proposing the candidature of Mr. Aldo Cedrone as a Director of the Company liable to retire by rotation.

The Board of Directors is confident that with his vast global knowledge and varied experience within SKF, he will be of great value to the Company and hence recommends the Resolution at Item No. 7 of this Notice for our approval.

A brief profile of Mr. Aldo Cedrone is provided in the Annexure to the Notice.

None of the Directors or KMP of the Company and their relatives other than Mr. Aldo Cedrone is in any way concerned or interested, financially or otherwise, in this resolution.

Item No.8

The Board of Directors appointed Mr. Manish Bhatnagar (DIN 08148320) as an Additional Director of the Company with effect from August 16, 2018 on the recommendation of the Nomination and Remuneration Committee. Pursuant to Section 161(1) of the Companies Act, 2013 ("the Act") and Article

129 of the Articles of Association of the Company, Mr. Manish Bhatnagar holds office of the Director up to the date of this Annual General Meeting but is eligible for appointment as a Director. The Company has received a notice under Section 160(1) of the Act proposing his candidature for the office of Director of the Company.

The Board of Directors is confident that his vast knowledge and varied experience will be of great value to the Company and hence recommends the Resolution at Item No.8 of this Notice for your approval.

A brief profile of Mr. Manish Bhatnagar is provided in the Annexure to the Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives other than Mr. Manish Bhatnagar is in any way concerned or interested, financially or otherwise, in this resolution.

Item No.9

The Board on the recommendation of the Nomination and Remuneration Committee appointed Mr. Manish Bhatnagar as Managing Director of the Company effective from August 16, 2018 for a period of 5 (five) years at its meeting held on August 7, 2018 on the terms and conditions including remuneration as set out in the agreement dated August 16, 2018 which are as under:

1. Remuneration

A) Salary

The Managing Director shall be paid by way of annual Basic Salary a sum of ₹8,120,427/- which shall be revised annually each year beginning April 2019. The increase shall be at the discretion of the Nomination & Remuneration Committee / Board of Directors of the Company.

B) In Addition to the Basic Salary, the Managing Director will be entitled to a Flexible Pay Plan (FPP) equivalent to a sum of ₹12,180,640. The Managing Director will be allowed to choose amongst various heads that are offered under this scheme based upon the preference. This too shall be revised annually beginning April 2019.

C) Incentives

- i. The Managing Director will be entitled to a Short-Term Variable Salary (STVS) Incentive as per the Group Bonus Plan. The maximum STVS payable is 30% of Basic Salary and FPP put together.
- ii. Long Term Scheme: The Managing Director will be entitled to participate in the Group Long Term Variable Salary (LTVS) program.

D) Retirement Benefits

Provident Fund : SKF will contribute 12% of Annual Base Salary towards Provident Fund

Superannuation : SKF will contribute 15% of the Annual Base Salary toward Superannuation Fund.

Gratuity : Gratuity as per the Payment of Gratuity Act.

E) Perquisites

In addition to the above remuneration, the Managing Director shall also be entitled to the following perquisites-

- a) Car – The Company shall provide one car and driver with fuel, insurance and maintenance borne by the Company as per the Company Policy.
- b) Club Membership of two clubs
- c) Mobile reimbursement.
- d) Medical reimbursement to self and family (spouse and children) for outpatient medical care will be provided.
- e) Group Medical Insurance for Self, Spouse and dependent Children.
- f) Group Medical Insurance for Parents / Parents-in-law (50% premium borne by Company)
- g) Group Personal Accident and Term life coverage.
- h) Joining expenses as per the Company's 'Joining Expenses Policy'.

Provision for the use of company car and telephone(s) at residence and mobile including payment for local calls and long distance official calls shall not be included in the computation of perquisites for calculating such ceilings.

Leave – Entitlement for leave as per the rules of the Company. Encashment of unutilized leave at the end of tenure shall not be considered as a perquisite for purposes of ceiling on remuneration prescribed in the Companies Act, 2013.

For calculating the above ceiling, perquisites shall be evaluated as per Income Tax Rules wherever applicable and in the absence of any such rules, perquisites shall be evaluated at actual costs.

In the event of any enhancement / reduction in the total emoluments to be paid on account of changes in any statute, the said enhancement / reduction will be adjusted from the total cost to the Company (CTC) payable to the Managing Director. In such a case the Company will have the right to restructure the emoluments within the CTC.

The total remuneration and perquisites payable to the Managing Director shall be within the ceiling limits prescribed in Sections 196 to 201 of the Companies Act, 2013. In case of absence or inadequacy of profits in any financial year, the Company shall, subject to the provisions of Section II, Part II of Schedule V of the Companies Act, 2013 or any statutory modifications thereof and / or the approval of the Central Government where necessary, pay the remuneration mentioned above as minimum remuneration to Mr. Bhatnagar.

The Nomination and Remuneration Committee / Board of Directors are authorized to alter, increase and vary the remuneration and perquisites provided that total remuneration by way of salary and perquisites and other allowances shall be within the maximum limits as laid down under Sections 196 to 201 and all other applicable provisions, if any of the Act read with Section II, Part II of Schedule V of the Companies Act, 2013, as may be amended from time to time or any equivalent statutory re-enactment thereof for the time being in force.

2. Other material terms of appointment

- i. Mr. Bhatnagar acting as the Managing Director of the Company shall exercise and perform such powers and duties as the Board of Directors of the Company ("the Board") shall from time to time determine and subject to any directions and restrictions from time to time given and imposed by the Board, he shall have the general control, management and superintendence of the day-to-day business and affairs of the Company with powers to enter into any contracts on behalf of the Company in the ordinary course of business, and to do and perform all other acts, deeds and things which in the ordinary course of business he may consider necessary, expedient or proper in the interests of the Company.
- ii. The appointment may be terminated by either party by giving to the other party six months' written notice of such termination.
- iii. The Company shall be entitled to forthwith determine this Agreement in the event of Mr. Bhatnagar being found guilty of misconduct or negligence in the discharge of his duties or in the conduct of the Company's business or to any other act or commission inconsistent with his duties as the Managing Director or any breach of this Agreement which in the opinion of the Board renders his termination from the office of Managing Director desirable.
- iv. If, before the expiration of this Agreement, the tenure of office of Mr. Bhatnagar shall be determined by reason of reconstruction or amalgamation, whether by winding up of the Company or otherwise, Mr. Bhatnagar shall have no claim against the Company for damages or otherwise whatsoever

- v. The terms and conditions of appointment of MD also include clauses pertaining to adherence with the SKF Code of Conduct, Non-Competition Policy and maintenance of confidentiality.

A copy of the agreement entered into between Mr. Bhatnagar and the Company is available at the Registered Office of the Company for inspection on any working day (except Saturday) during normal working hours of the Company.

The Board of Directors recommends resolution set out at Item No.9 of this Notice for your approval.

Mr. Bhatnagar is not related to any of the Directors of the Company.

None of the Directors, Key Managerial Personnel or other relative except Mr. M. Bhatnagar is interested in the resolution set out at Item No.9 of this Notice.

Item No.10

The existing Technology License Agreement and TradeMark License Agreement (hereinafter called 'the GLAs') with Aktiebolaget SKF ("the Licensor") allows your Company (the Licensee) access to SKF intellectual property rights including global portfolio of brands, proprietary technology including numerous patents, extensive research and development capabilities and expertise in best practices and technologies developed by the global network of Research & Development Centers, including Global Technical Centre in India at Bengaluru. Licensor is, through its affiliates, engaged in the manufacture and sale of products, solutions and services within rolling bearings, seals, mechatronics, services and lubrication systems, including Deep Groove ball Bearings, Taper Roller Bearings, Spherical Bearings, Hub units, Split Taper hub units, Macphersons strut bearing units, Kits, Mounted products, Seals, Lubrication systems and Mechatronic products like sensor bearings (hereinafter referred to as the "Products")

All the products manufactured by the Company, are on the basis of the Licenses provided by the Licensor to the Company under the GLAs, The GLAs have contributed significantly to the success story of your Company. The access under the GLA to the capabilities of SKF Group, world's leading Bearing technology Company, will enable your Company to continue to deliver long term sustainable profitable growth and Create Shared Value for society and the shareholders." Further, general license fees paid to the Licensor, are in the ordinary course of business and are on an arm's length basis. Regulation 23(1A) has been inserted in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation") effective from July 1, 2019 and provides that transactions involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into

individually or taken together with previous transactions during a financial year, exceed two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

While the bundle of intellectual property rights available under the GLAs extends beyond brand usage to include access to patents, technology, know-how and related assistance in implementation; in compliance with Regulation 23 of the SEBI Listing Regulations, and other applicable provisions, if any, approval of shareholders by way of Ordinary Resolution is being sought for continuation of general license fees (royalty and trade mark fee) payments to the Licensor at the rate of 5% (Five percent) of the total net sales price of the Products manufactured by the Company under the existing GLAs from July 1, 2019 onwards. As per Regulation 23(4) of the Listing Regulations, none of the related parties shall vote on the Ordinary Resolution.

The details of the existing General License Agreements (GLAs) and their material terms are as under:

- a. The Company has two GLAs with the Licensor, one for Royalty and other for TradeMark fee.
 - b. Licensor together with affiliates holds 52.58% shareholding in the Company.
 - c. The GLAs with Licensor:
 - i. Technology License Agreement dated November 1, 2011 including amendments thereto, covering all the products manufactured and / or sold by the Company for Royalty purposes
 - ii. TradeMark License Agreement dated November 1, 2011 for right to use the registered Trade Marks of Licensor
- Both the above agreements are referred hereunder as ‘GLAs’
- d. Material terms:
 - i. Right to use various patents, designs, specifications, know-how related to or associated with its Products (collectively referred to as “**Technology Intangibles**”) in order to manufacture and sell the products in India and in such other countries that may be applicable (hereinafter referred to as the “Territory”)
 - ii. Non-exclusive and non-assignable right to use the said Trade Marks in India for sale of products and services in India and such other countries that may be applicable.
 - e. Technology Intangibles to be used for the purpose of manufacturing the products in and for selling the products in the territory. In addition, Licensee has the right to manufacture products to be sold to another company within the SKF Group.
 - f. In consideration for the use of the Technology Intangibles and for the use of the Trade Marks, Licensee to pay to the Licensor, during the term of the GLAs, a fee for royalty and trade mark amounting to 5% of the total net sales price of the Products manufactured.
 - g. Licensor shall without delay disclose and make available to Licensee any modification or improvement of the Technology Intangibles developed by Licensor whether or not patented and whether or not said modification or improvement is substantial.
 - h. GLAs shall remain in force and remain in effect until terminated by either Party.
 - i. Notwithstanding (h) above, either Party shall be entitled to terminate the GLAs forthwith under special circumstances as set out under the GLAs.

The access under the GLAs to the capabilities of SKF Group, is integral for the Company to continue to deliver long term sustainable growth, Create Shared Value for the shareholders and society. The shareholders have supported the need for GLAs and the general license fees payment to the Licensor, by adopting the Audited Financial Accounts with Reports of Directors and Auditors thereon, over years with near absolute majority.

The resolution set out, is to comply with the new requirement effective July 1, 2019 under the SEBI Listing Regulations. Accordingly, approval of the Members is sought by way of an Ordinary Resolution under Regulation 23 of the Listing Regulations and other applicable provisions, if any, for continuation of general license fees (royalty and trade mark fee) payments to the Licensor at the rate of 5% (five percent) of the total Net Sales Price of the Products manufactured under the existing GLAs with the Licensor on the same terms and conditions, with effect from July 1, 2019 for a period of 5 (five) years, notwithstanding that the transactions involving payments to the Licensor with respect to general license fees (royalty and trade mark fee) during any financial year including any part thereof, is considered material related party transactions being in excess of the limits specified under the Listing Regulations.

None of the Directors and the Key Managerial Personnel of the Company and their relatives except Mr. Bernd Stephan or Mr. Aldo Cedrone representing SKF Group are in any way is concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

Copy of the GLAs would be available for inspection by the members, without any fees, at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, excluding Saturday. The Board of Directors recommend Ordinary Resolution set out at Item No. 10 of the Notice of the AGM for approval by the members.

Item No. 11

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 Messrs. R A & Co., Cost Accountants, having Firm Registration No. 000242 as Cost Auditors of the Company for the financial year ending March 31, 2019.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought by way of an Ordinary Resolution as set out at Item No. 11.

The Board accordingly recommends Item No. 11 of the Notice for your approval.

None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in the resolution.

By Order of the Board
SKF India Limited

P. Bhandari
Company Secretary

Registered Office:
Mahatma Gandhi Memorial Building,
Netaji Subhash Road,
Mumbai 400 002.

CIN No.: L29130MH1961PLC011980
E-mail: investors@skf.com
Website: www.skfindia.com
Telephone No.:022-22857777
Date: May 15, 2019

ROUTE MAP TO THE VENUE OF THE AGM
on Tuesday, July 23, 2019 at 3.00 p.m.



Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

Name of the Director	Mr. Aldo Cedrone	Mr. Gopal Subramanyam
Director Identification Number	08455073	06684319
Date of Birth	August 10, 1958	November 2, 1955
Nationality	Italian	Indian
Date of Appointment on Board	May 17, 2019	May 16, 2019
Qualification	Master in Mechanical Engineering, Rome University School of Management, Rome University	Mechanical Engineering, University of Madras
Experience	<ul style="list-style-type: none"> • Ball Bearings Manufacturing Director, located in Airasca, Italy • Associated with SKF Group since 1989 in various positions, including as Automotive Division Director; Head - Powertrain & Electrical TW; Factory Manager; Quality and Production Manager • Ownership of 'One implementation Plan for DGBB and Ball Bearing Units Product Lines' • Responsibility for all the Bearing Manufacturing Units for the Automotive market • Plan and execute restructuring projects • Member of car electrification and hybridization team 	<ul style="list-style-type: none"> ▪ 42 years of experience in manufacturing, ranging from high precision components to heavy equipment and machineries ▪ Former Chief Executives of two Jvs: L&T Komatsu Ltd India and L&T Howden Pvt. Ltd, India ▪ Advisor - L&T Skill Development Mission ▪ Member- Academic Council of Nettur Technical Training Foundation ▪ Founder member of several green field and brown field projects, noteworthy among them being: <ul style="list-style-type: none"> - Hydraulic Component at L&T, Bangalore in technical collaboration with Poclairn Hydraulics, France - Agriculture Tractor project - Hydraulic Excavators Mfg - Super critical technology Boiler plant auxiliaries Mfg. business at Hazira, Gujarat (JVC with MHPS, Japan and later JVC with Howden, UK)
Shareholding in SKF India Ltd	Nil	Nil
List of Directorship held in other Companies	N.A.	Lincoln Helios (India) Ltd Ajax Engineering (India) Pvt. Ltd
Chairmanship / Membership of Audit and Stakeholders Relationship Committee	N.A.	Chairman of Audit Committee (AC) and Corporate Social Responsibility (CSR) - Lincoln Helios (India) Ltd Chairman of Risk Management (RMC) and Stakeholder Relationship Committee (SRC) - SKF India Limited Member of AC, CSR and Nomination and Remuneration Committee (NRC) - SKF India Ltd
Relationship between the Directors inter-se	Nil	Nil

Details of Directors seeking appointment / re-appointment at the forthcoming Annual General Meeting

Name of the Director	Ms. Anu Wakhlu	Mr. Manish Bhatnagar	Mr. Bernd Stephan
Director Identification Number	00122052	08148320	07835737
Date of Birth	November 9, 1957	April 20, 1969	December 9, 1956
Nationality	Indian	Indian	German
Date of Appointment on Board	May 16, 2019	August 16, 2018	June 8, 2017
Qualification	<ul style="list-style-type: none"> MSc Gold Medalist Diploma in Strategic Management ICC Coach Accreditation (MCC) 	BE (Electrical/Electronics) BITS, Pilani MBA - IIM, Kolkata	Mechanical Engineer from University of Essen, Germany
Experience	<ul style="list-style-type: none"> Chairperson of Pragati Leadership Institute Pvt. Ltd. Executive Director on Pragati Leadership's Board for over 15 years of which as a Managing Director for 6 years Creating Organizational DNA to align with their Vision and Mission Leadership Development for top management teams Strategic HR Consultant work closely with manufacturing sector transforming their HR systems to add value to the business President of Soroptomist International, an international organization dedicated to growth and empowerment of Women worldwide Over 30 years of experience as Certified Executive Coach, consultant and facilitator across industry segment 	<ul style="list-style-type: none"> Manish Bhatnagar, as the Managing Director, sets the strategic direction for the SKF group in India and its wide portfolio of offerings in bearing technologies. Manish has over twenty-six years of global experience in various industries including consumer goods, materials, healthcare and environmental solutions Manish brings with him a strong track record of using strategic leadership to drive strong growths across industries, building businesses to leadership positions, and driving high performance cultures Most recently, Manish was the Vice President & General Manager of Asia Pacific for Danaher's water businesses, where he delivered strong and profitable revenue growths across the region through a combination of strategic partnerships, geographical expansion, product innovations and transformational marketing. He was also instrumental in building a robust leadership pipeline, while ensuring full compliance with the Company's non-negotiable standards of conduct. Previously, he has held progressively increasing leadership roles at General Electric, Underwriters Laboratories and Lakme Lever 	<ul style="list-style-type: none"> Mr. Stephan is associated with SKF Group since 1994 and is currently President, Automotive and Aerospace and Member of SKF Group management Prior to that Mr. Stephan was Sr. Vice President Group Technology (CTO) and had held several leading positions within SKF Group in Renewable Energy, Business unit Trucks, Business unit CR Europe
Shareholding in SKF India Ltd	Nil	Nil	Nil
List of Directorship held in other Companies	Pragati Leadership Institute Pvt. Ltd	Lincoln Helios (India) Ltd	Nil
Chairmanship / Membership of Audit and Stakeholders Relationship Committee	<ul style="list-style-type: none"> Chairman of AC and NRC - SKF India Ltd Member of CSR and SRC - SKF India Ltd 	Chairman of CSR and Member of RMC and SRC - SKF India Ltd	Member of AC, RMC and NRC of SKF India Ltd
Relationship between the Directors inter-se	Nil	Nil	Nil

Note: Other directorship do not include directorships of foreign companies. For other details such as number of meetings of the Board attended during the year, remuneration drawn, please refer to the Corporate Governance report

Directors' report

Dear Members,

The Directors of your Company are pleased to present the 58th Annual Report, with audited financial statements for the financial year ended on March 31, 2019.

Financial Results

	₹ in million	
	Year ended Mar 31, 2019	Year ended Mar 31, 2018
Revenue from operations	30,345.3	28,048.2
Other Income	923.8	713.6
Total Income	31,269.1	28,761.8
Operating Expenditure	25,563.3	23,749.5
Depreciation	463.9	457.4
Profit before Tax	5,241.9	4,554.9
Provision for taxation	1,884.2	1,596.0
Profit After Tax	3,357.7	2,958.9
Other Comprehensive Income	(22.6)	14.8
Total Comprehensive Income for the period	3,335.1	2,973.7

Operations

The revenue from operations of the Company for year ended on March 31, 2019 stood at ₹30,345.3 million as compared to ₹28,048.2 million in the previous year. The revenue figures of the two years are not directly comparable due to the reclassification of indirect taxes following the introduction of GST effective July 1, 2017. The Company's profit before tax for the year ended March 31, 2019, was ₹5,241.9 million as compared to ₹4,554.9 million in the previous year.

The profit after tax for the period ended March 31, 2019 was ₹3,357.7 million, compared to ₹2,958.9 million during the previous year.

The Company incurred a capital expenditure of ₹636.9 million during the year.

Material Changes and commitment if any, affecting financial position of the Company

There have been no material changes and commitments that have occurred between the end of the financial year of the Company to which these financial statements relate and the date of this report which affect the financial position of the Company.

Dividend

Pursuant to Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the dividend distribution policy approved by the

Board has been put up on the website of the Company and can be assessed at <http://www.skf.com/in/investors/shareholder-information/index.html>.

In line with the said policy, the Board of Directors is pleased to recommend a dividend of ₹12 per Equity share of ₹10 Face value for the year ended March 31, 2019, as compared to ₹12 per Equity share, for the preceding year ended March 31, 2018. This dividend is subject to the approval of the Members at the 58th Annual General Meeting of the Company.

The Register of Members and Share Transfer Books will remain closed from July 15, 2019 to July 23, 2019 (both days inclusive) for the purpose of payment of the dividend for the financial year ended March 31, 2019 and the Annual General Meeting.

During the year, unclaimed dividend pertaining to the dividend for the year 2011 was transferred to the Investor Education and Protection Fund.

Transfer to Reserves

The Board of Directors has decided to retain the entire amount of profits for the year 2018-19 in the profit and loss account.

Buyback of equity shares

Considering the Company's strong cash reserves and its healthy cash flow generation, the members had approved a proposal for buyback of equity shares of the Company, at a price of ₹2100/- per share during the fiscal year 2018-19. The offer size of the buyback was 21.73% of the aggregate paid-up equity share capital and free reserves of the Company and represented 3.70% of the total issued and paid-up capital equity share capital of the Company. The Company had utilized ₹3990 million for the Buyback of equity shares of the Company and the share capital of the Company after the said buyback now stands reduced at ₹494.38 million. The buyback process was completed and the shares were extinguished on February 20, 2019.

Awards / Accolades

Your Directors are happy to report that during the year, your Company received numerous awards and felicitations from distinguished bodies for achievements in various fields that re-emphasized SKF's strong position in the Indian Manufacturing Industry, making us proud of our achievements and some of the significant achievements were:

- **SKF India Pune factory won the Frost & Sullivan Manufacturing Excellence Awards 2018 for the Future Ready Factory** for Engineering Sector, Large Business. Frost & Sullivan 15th 'India Manufacturing Excellence Awards (IMEA) 2018' recognizes companies for outstanding

achievement and performance in a range of regional and global markets for superior leadership, technological innovation, customer service, strategic product development

- **SKF India wins the “Best Sustainability Practice” Award from Tata Steel SSE.** This “Best sustainability Practice” Award was in the Social Excellence Category at the third edition of the “Supplier Sustainability Expo (SSE)”
- **SKF in India is one of Top 100 “Best Companies for Women in India 2018”.** India’s first diversity advocate and workplace inclusion expert- **AVTAR**, along with Working Mother Media, hosted the third edition of the **Best Companies for Women in India (BCWI)** study in 2018, where SKF India was one of the Top 100.
- **SKF India is recognized with the Best Vendor award 2018-19 from the Transportation group of BHEL, Bhopal.** The award was arbitrated on three major criteria: Product Quality, Delivery and Technical / After Sales Support.
- **ACE Designers awards SKF India as the winner of “Outstanding Support” 2017-18 at Bangalore.** Ace Designers, is one of India’s largest machine tool manufacturing companies, located in Bengaluru.
- **SKF YES Bengaluru Center has been accredited by TVS Motor company as TVS Certified Vocational Center**

Management’s Discussion and Analysis and Outlook

A detailed review of operations, performance, opportunities, and outlook of the Company is given in the Management’s Discussion and Analysis Report, which forms part of this Report as Annexure I.

Corporate Governance

Your Directors reaffirm their continued commitment to good corporate governance practices.

Pursuant to Regulation 34 of the SEBI Regulations and relevant sections of the Act, Report on Corporate Governance and Auditors Certificate thereon forms part of this report as Annexure II.

Directors and Key Managerial Personnel

As per the provisions of Sections 149 and 152 of the Companies Act, 2013 (Act), the shareholders at their 54th Annual General Meeting held on April 23, 2015, had approved the re-appointment of all the Independent Directors of the Company for tenure of upto five consecutive years until July 2019. None of the Independent Directors are liable to retire by rotation. In accordance with Section 149(7) of the Companies Act, 2013, each Independent Director has confirmed to the Company that he or she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In order to bring fresh thinking on the Board, Mr. R. Makhija and Mr. P M Telang have tendered their resignation to be effective from May 16, 2019. Ms. H. Hattangady and Mr. P R Menon have tendered their resignation for personal reasons to be effective from April 1, 2019 and May 16, 2019 respectively.

The Board has placed on record its deep sense of appreciation for the valuable contributions made towards the operations and growth of the Company by the Directors during their respective tenures. On behalf of SKF, we express our deepest gratitude and appreciation for their dedicated support and guidance.

In accordance with the provisions of the Act and the Articles of Association of the Company, Mr. Bernd Stephan (DIN: 07835737) retires by rotation and being eligible, offers himself for re-appointment.

Mr. Carl Orstadius, Managing Director resigned from the Board effective from August 16, 2018 on account of taking a new position as the Automotive and Aerospace Group Controller for SKF Group based in Gothenburg, Sweden. The Board placed its sincere appreciation and gratitude for his valuable contribution and for his outstanding work during his brief tenure and wish him a great future ahead with SKF Group.

On the recommendation of the NRC, Mr. Manish Bhatnagar was appointed as an Additional Director of the Company with effect from August 16, 2018 by the Board of Directors in accordance with Section 161(1) of the Act and Article 129 of the Company’s Article of Association. Mr. Bhatnagar holds office up to the date of the forthcoming AGM and a notice under Section 160(1) of the Act has been received from a member signifying his intention to propose Mr. Bhatnagar’s appointment as Director. Mr. Bhatnagar was also appointed as Managing Director of the Company for a period of 5 years commencing from August 16, 2018 to August 15, 2023. His appointment and the terms and conditions of his appointment including remuneration payable to him, require approval of the members at the ensuing AGM.

The Board on the recommendation of the Nomination and Remuneration Committee appointed Mr. Aldo Cedrona as an Additional Director on May 17, 2019. Mr. Gopal Subramanyam and Ms. Anu Wakhlu as Independent Additional Directors from May 16, 2019.

Pursuant to the provisions of Section 149 of the Act, the independent directors 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) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company.

Brief particulars and expertise of directors seeking appointment / re-appointment together with their other directorships and committee memberships have been given in the annexure to

the notice of Annual General Meeting in accordance with the requirements of SEBI Regulations and applicable Secretarial Standards.

Key Managerial Personnel

In terms of Section 203 of the Act, the following are the Key Managerial Personnel (KMP) of the Company:

- Mr. Manish Bhatnagar, Managing Director
- Mr. Chandramowli Srinivasan, Chief Financial Officer
- Mr. Pradeep Bhandari, Company Secretary

Board Meetings

The Board of Directors met six times during the year. Details of Board meetings and other Committee meetings of the Board are laid out in Corporate Governance report, which forms part of this annual report.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, of the directors individually as well as the evaluation of the Committees, pursuant to the provisions of the Act and SEBI Regulations.

The process followed for Board evaluation includes:

- i) Feedback was sought from each Director about their views on the performance of the Board / Committees, covering various criteria such as degree of fulfilment of key responsibilities, effectiveness of Board processes, Board culture and responsibilities to various Committees.
- ii) NRC then discussed the above feedback received from all the Directors.
- iii) Based on the inputs received Chairman of the NRC also apprised the Independent Directors at their meeting, summarizing the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman was also reviewed by them.
- iv) Post the meeting of the Independent Directors their collective feedback on the performance of the Board was discussed by the Chairman of the NRC with the Chairman of the Board.
- v) Significant highlights, learning and action points arising out of the evaluation were presented to the Board and action plans are drawn up wherever required.

Familiarization Programme

In compliance with the requirement of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has put in place a familiarization program for Independent Directors to familiarize them with the working of the Company, nature of the industry in which the Company operates, business

model of the Company, their roles, rights and responsibilities vis-a-vis the Company etc. Details of the Familiarization Programme are explained in the Corporate Governance Report and is also available on the Company's website at <http://www.skf.com/in/investors/shareholder-information/index.html>.

Appointment of Directors and Remuneration Policy

A policy with well-defined criteria is in place for the selection of candidates for appointment as Directors, Key Managerial Personnel and senior leadership positions. The relevant information has been disclosed in the Corporate Governance Report.

Audit Committee

The Company has in place an Audit Committee in terms of the requirements of the Companies Act, 2013. The details relating to the same are given in the Report on Corporate Governance forming part of this Report. The Board has accepted all recommendations made by the Audit Committee during the year.

Corporate Social Responsibility

The Company has always maintained a high level of social engagement and social responsibilities. The initiatives in the social sphere have always been built on the Company's Values of "SKF Care" which comprises of four pillars, namely 'Business care /Employee care/ Environment care and Community care'. Community care has been at the core of SKF business practices and SKF is running multiple initiatives to empower the communities.

Corporate Social Responsibility ("CSR") Committee reviews and monitors the CSR projects and expenditure undertaken by the Company. The brief outline of the CSR Policy of the Company and the initiatives undertaken by the Company on CSR activities during the year are set out in Annexure III of this report.

Risk Management

Your Company has developed and implemented a Risk Management Policy which is approved by the Board. The Risk Management Policy, inter alia, includes identification of risks and their rating based on likelihood of the event and the impact it is expected to have on the Company's operations and performance. The risks that fall under high likelihood and high impact are identified as key risks for which detailed mitigation plans are developed and integrated with the business processes and audit plan.

The Company's assets continue to be adequately insured against the risk of fire, riot, earthquake, terrorism and the risk of loss of profits also stands insured amongst other things. In addition, adequate coverage has been taken to cover product liability, public liability and Director's and officer liability. Also, all the employees are covered against the risk of loss of life, hospitalization and personal accident.

A section on Risk management practices of the Company forms a part of "Management Discussion and Analysis" in this Annual Report.

Safety / Sustainability

SKF India continued to work on safety and sustainability aspects of business. We continue to adopt energy conservation initiatives and constantly strive to provide products, services and solutions which are environment friendly and socially viable. The 'SKF Beyond Zero' is our strategy for actively reducing the environmental impact of our manufacturing operations, products and supplier actions. Our EHS policy outlines guidelines for conservation and safeguarding of energy, water and natural resources for the entire supply chain and also promotes green procurement.

Safety is a core value of the Company. The Company has adopted a structured approach towards implementation of Safety Policies and Programs to integrate safety with business processes with a goal to continuously improve safety performance. Your Company treats any fatality on any of its premises, of any of its employees, contractor/associate employees or any third party, with equal gravitas and is committed to taking the entire working environment and behavior to the highest safety standards.

Directors' Responsibility Statement

Based on the framework of internal financial controls (IFC) and compliance systems established and maintained by the Company, work performed by the internal, statutory, cost auditor and secretarial auditors including audit of IFC for financial reporting and the reviews performed by the Management and Committees of the Board, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2019.

Accordingly, pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirm that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- b. appropriate accounting policies have been selected and applied consistently. Judgments and estimates made are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at March 31, 2019 and of the profit of the Company for that period;
- 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; and
- f. proper systems to ensure compliance with the provisions of all applicable laws are in place.

Related Party Transactions

In accordance with Section 134(3) (h) of the Act, and Rule 8(2) of the Companies (Accounts) Rules, 2014, the particulars of contracts or arrangements entered into by the Company with related parties referred to in Section 188(1) in Form AOC-2 is attached as Annexure IV of this report. All transactions with related parties are approved by the Audit Committee / Board in line with the prevailing regulatory requirements for such transactions including prior omnibus approval of the Audit committee as permitted by law. Statement giving details of the Related Party Transactions entered into against such prior approval taken, is placed before the Audit Committee on a quarterly basis.

The details of related party disclosures form part of the notes to the financial statements provided in this annual report. In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a policy on related party transactions as approved by the Board which is uploaded on the Company's website and can be accessed at the web-link: <http://www.skf.com/binary/83-166889/Policy-on-Related-Party-Transactions-modified-highlighted-Sept-2014.pdf>

None of the Directors and Key Managerial Personnel had any pecuniary relationships or transactions vis-a-vis the Company.

Subsidiaries, Joint Venture and Associates

The Company doesn't have any Subsidiary or Joint Venture or any Associates as per definition of the Companies Act, 2013.

Vigil Mechanism / Whistle Blower Policy

Your Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting the highest standard of professionalism, honesty, integrity and ethical behavior.

Pursuant to Section 177(9) of the Act, a vigil mechanism was established for directors, employees and all other stakeholders to report to the management instances of unethical behavior, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. The Vigil Mechanism Policy provides a mechanism for employees of the Company to also directly approach the Chairman of the Audit Committee of the Company for redressal and the Policy for the same has been disclosed on the Company's website. "<http://www.skf.com/binary/83-166890/Vigil-Mechanism-Policy-31.07.2014-FINAL.pdf>"

Business Responsibility Report

SKF is continuously working to reduce the environmental impact of its business activities and developing products and solutions that benefit the energy, emissions and disposal requirement of the customers.

As required under SEBI Regulations, a Business Responsibility Report is attached and is a part of this annual report.

Fixed Deposits

The Company has not accepted any deposits from the public covered under Chapter V of the Act. No amount on account of principal or interest on deposits from public was outstanding as on March 31, 2019.

Statutory Auditors

Pursuant to provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, M/s Price Waterhouse & Co Bangalore LLP, Chartered Accountants (Firm Registration No. 0075675S with ICAI), were appointed as Statutory Auditors of the Company for a term of four years, to hold office from the conclusion of 54th Annual General Meeting held on April 23, 2015, until the conclusion of 58th Annual General Meeting, subject to ratification of their appointment at every subsequent Annual General Meeting.

A certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if made, at ensuing Annual General Meeting would be according to the terms and conditions prescribed under Sections 139 and 141 of the Act and Rules framed there under.

A resolution seeking their appointment, forms part of the Notice convening 58th Annual General Meeting and the same is recommended for your consideration and approval.

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Act. There have been no qualifications, reservations, adverse remarks or disclaimers in the auditor's reports, requiring explanation or comments by the Board.

Secretarial Auditor

M/s Parikh & Associates, were appointed as Secretarial Auditor of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 to conduct a Secretarial Audit of the Company for 2018-19.. The Report of the Secretarial Auditor is attached as Annexure V of this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse mark or disclaimers. The Company confirms compliance with the requirements of Secretarial Standards 1 and 2 issued by the Institute of the Company Secretaries of India.

Cost Auditor

M/s. RA & Co. (Firm Registration No. 000242), Cost Accountants were appointed as Cost Auditors of the Company for the year 2018-19. The Cost Auditors have confirmed that their appointment meets the requirements of Section 141 of the Companies Act, 2013. The Cost Audit is under process and the Company will submit the Cost Auditors' report to the Central Government in time. The Cost Audit Report of the Company for the Financial year ended March 31, 2018 was filed within the prescribed time limit.

As per the provisions of the Companies Act, 2013, the remuneration payable to the Cost Auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution for seeking members' ratification for the remuneration payable to M/s RA & Co, Cost Auditor is included in the Notice convening the Annual General Meeting.

Reporting of frauds by Auditors

During the year under review, the Statutory Auditors, Cost Auditors and Secretarial Auditor have not reported any instances of frauds committed in the Company by its Employees to the Audit Committee under Section 142(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

Significant and material orders passed by the Regulators or Courts

There were no significant and/or material orders, passed by any Court or Regulator or Tribunal, which may impact the going concern status or the Company's operations.

Particulars of Employees

The information required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure VI to this report.

In terms of the first provision to Section 136 of the Act, the Annual Report is being sent to the Members excluding the aforesaid information. Any member interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company. None of the employees listed under the said Rules are related to any Director of the Company.

Industrial Relations

The year under review witnessed cordial Industrial Relations across all manufacturing locations of the Company.

Building flexibility, driving productivity and driving competence in the factories has been a continuous effort. Training programs for multiskill development are driven by Kushal Skill Centers in all factories. Experienced operators from the shop

floor have been developed as internal trainers. The concept of Circle Leaders and Team Leaders which was launched in two factories continue to be a vehicle for development and growth to the blue collar employees. The long term wage settlements signed with the unions also foster flexibility and enhancement in productivity in the factories. The blue collar employees are provided with programs to improve their life skills to develop their personalities which will go a long way to building the culture in the factories. Leadership Development programs were also introduced for Unions and Work Council members to build their competence and also nurture a collaborative way of working.

In order to develop skills and foster togetherness at the workplace, your Company runs multiple training and engagement programs covering a wide range of topics including safety, environment, quality, TPM, and six sigma etc.

Transfer of Unpaid and Unclaimed Amounts to IEPF

Pursuant to the provisions of Section 125 of the Companies Act, 2013, the declared dividends, which remained unpaid or unclaimed for a period of seven years, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

As per the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 notified by the Ministry of Corporate Affairs and subsequent amendment thereof, the Company has transferred shares to such authority in respect of which dividend has not been paid or claimed by shareholders for seven consecutive years or more.

The Company has sent individual notices to concerned shareholders, whose shares and dividend are liable to be transferred to IEPF Authority to their latest available addresses.

The Company has displayed full details of such shareholders, dividend and shares on its website at www.skf.com/in. Shareholders are requested to verify the details of the shares liable to be transferred as aforesaid.

Particulars of Loans, Guarantees or Investments

The particulars of loans given, investment made or guarantee given or security provided have been disclosed in the financial statements, no fresh loan has been given during the year. The Company did not give any guarantee or provide any security in connection with any loan and did not acquire any securities during the financial year.

Extracts of Annual Return

Pursuant to Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014 an extract of the Annual Return in Form MGT-9 is provided in Annexure VII to this Report.

Policy on Prevention of Sexual Harassment at Workplace

The Company is an equal opportunity provider and consciously strives to build a work culture that promotes the dignity of all employees. Our Policy is gender neutral. The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder. All women and men - permanent, temporary or contractual, including service providers, visitors are covered under the policy. This has been widely communicated internally and is uploaded on the Company's intranet portal. An internal Committee comprising of 14 management staff across locations, including an NGO member is in place. This includes seven women to redress complaints relating to sexual harassment. Besides, in each of the plants, there is at least one nodal person in each region to receive, listen and forward complaints directly to the Committee.

During the year, one complaint which required investigation was received by the Company and the same was investigated and appropriate action was taken. There were no complaints pending at the end of the year. Awareness programs were conducted across the Company to sensitize employees to uphold the dignity of their colleagues at the workplace, particularly with respect to prevention of sexual harassment. A few employees also attended training programmes conducted by an external agency.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The information on conservation of energy and technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is attached as Annexure VIII to the Report.

Acknowledgements

The Board of Directors take this opportunity to thank its Principals, Aktiebolaget SKF, customers, members, suppliers, employees, bankers and business partners / associates for their exemplary and valued contribution towards the Company.

For and on behalf of the Board
SKF India Limited

Rakesh Makhija
Chairman
DIN:117692

Bengaluru
May 15, 2019

Management discussion and analysis

ANNEXURE I – TO THE DIRECTOR'S REPORT

Economy

The global economy continues to expand, albeit slowly, against a backdrop of challenges. Weakening financial market sentiments, trade wars between major economies, geo political developments that lead to fluctuations in currencies, destabilization in Euro area, potential slowdown in China , uncertainty in oil prices and an unexpected rise in inflation remain a concern. Major central banks also seem to be adopting a more cautious approach. Investors are recalibrating their exposure to riskier assets and general caution being exercised, subdued patterns of growth are likely to continue.

India's economy continues to retain its tag of being the world's fastest growing large economy, although growth has been choppy and not upto expectations . Government spending and local consumption continue to be the key growth drivers for the economy. The Government's thrust on easing of doing business in India with sweeping reforms provided a conducive environment. Other key initiatives like "Make in India", "Skill India", "Startup India", "Digital India", "Smart City Mission" and spending on infrastructure have provided thrust to the economy and is likely to continue in the near term. The National Elections have led to some uncertainty as well and hopefully will be only short live. Owing to a strong growth momentum and investments in infrastructure, the economy is likely to continue its growth trajectory.

Industry Structure

The Indian bearings market did not witness any major structural changes but showed relatively higher growth rate with an estimated size breaching the INR 100 billion mark. The market is served primarily by organized global bearing majors through a mix of domestic manufacturing and imports.

Primarily a business to business market, it is driven by two major user segments - the automotive and industrial sectors. The business is further classified into Original Equipment Manufacturers (OEM) market and end-user market. The organized sector dominates the OEM market space while the unorganized and cheap imports cater mainly to the aftermarket due to price sensitivity. The prevalent tailwinds led to a strong demand across the two markets and hence it was a good year for the Indian Bearing Industry.

Your Company, with its reputation for reliable, high quality, wide product and services portfolio and long-lasting engagement with customers continued to deliver superior performance and sustainable results.

Opportunities

The Indian economy is believed to continue in its era of sustained growth. The Indian economy is projected to grow to a 10 trillion economy by 2030 led by its population's demographics in terms of age and disposable income. The Government focus on important economic and policy reforms to boost manufacturing will aid in accelerating growth.

The focus on building infrastructure, investments in upgrade of rail, roads and ports will aid in setting the stage for growth of key Industries. "Make in India" is gaining traction and is paving way for investments in key sectors like Railways, Defense, Aerospace, Electronics, Energy and Capital Goods.

India's high urbanization rate is leading to upgrade and creation of new cities. Increased literacy rates, sensitivity and regulatory reforms towards sustainability, safety and emission norms are paving way for increased focus on cleaner, efficient and reliable solutions across industries. To cater to these, organizations will have to work on positive disruptions by adopting technology, knowledge and integrating solutions. Your Company with a global parental heritage and a history of creating path breaking product and solution innovations is poised to thrive in such an environment.

With a clear differentiated strategy of not only helping our customers with fit for purpose products but also aiding them in ensuring they derive the most out of them, your Company is further consolidating its deep-rooted customer engagement and loyalty.

Automotive Sector

The Indian automotive sector is the largest contributor to the nation's manufacturing GDP. With a relatively lower per capita vehicle ownership compared to other developed and developing economies it continues to be a key growth area. The auto components and ancillary industry is critical for overall manufacturing sectors and continues to be one of the largest employers and foreign exchange earners for the country.

The market is dominated by two wheelers especially in the rural parts of the country. Cars continue to be an aspirational "buy" for the youth who just start to make a living. The recent activities in the infrastructure sector has fueled growth in the commercial vehicle space. Scarcity of farm labor and increased utilization in construction has boosted the growth of tractors. Availability of ready financing avenues has led to a general rise in the overall sector.

Ease of mobility is an important factor for increased economic activity. Its geographical spread, lower automobile penetration, demographic spread, increase in buying capacity and thrust on infrastructure projects offers a favorable landscape for the growth of this sector.

Stricter emission and safety norms are shaping the demand for improved technology from automotive companies and in turn from component manufacturers. As the penetration of electric vehicles, driverless vehicles and hybrid vehicles increases the sector will become even more technology intensive. This will be favorable for your Company with its technology leadership and strength in developing high quality reliable products.

Industrial Sector

India's industrial sector is vital to its growth. With increasing population, the industrial sector continues to serve the nation's consumption needs and job creation. The Government's focus on reforms to ease of doing business in India have aided investments. Initiatives like "Make in India" have attracted domestic and international investments in key sectors. The Government's thrust on new and upgrade of existing infrastructure is greatly benefiting the allied industries.

The Indian Railways has started modernization drive with a focus on increasing safety, reliability and passenger comfort. Electrification and Dedicated Freight Corridor is transforming the movement of goods and driving establishment of industrial corridors and logistics parks along its alignment. Metro Rail being built across the major cities has led to many global players investing and setting up manufacturing in India.

India is emerging as a globally preferred manufacturing base for industries like automobile components, electronics, aviation, construction equipment, renewable energy, defense and capital goods. Owing to its global parentage and engagements with major equipment manufacturers worldwide, your company is positively placed to supplying them in India.

"Smart" and "Digitalization" in manufacturing is yet to realize its full potential in India. "Industry 4.0" and beyond are fueling the need for components that comply with the needs of these "Smart" machines. With its technology innovations your Company is offering unique products and solutions that will act as catalysts in this process.

Due to looming finance crunch the focus on efficiency and cost competitiveness has never been of more importance. Manufacturers are moving away from capital intensive to more operational expense based working methodology. Manufacturing equipment, systems and components are moving towards a services-based approach. Wherein pay-for-performance and deferred payment-based models are going to disrupt the way of doing business. This would disrupt the entire value chain and will lead to consolidation of market in favor of organizations with sound finances and agility to develop themselves.

Your Company is committed towards addressing these market demands with speed, aggressiveness, service and agility. The global knowledge coupled with a spirit of continuous evolution enables your Company to grow ahead of the curve.

Threats

Sluggish global demand has led to underutilization of global manufacturing capacities. Focus on localization and growing protectionism in some of the developed economies will pose a challenge. Volatility in currency markets, commodity prices, geopolitical trade wars and sentimental risk aversion will add to these challenges. Lack of availability of skilled human resources and an ageing population in the developed countries will adversely impact industry.

The bearing industry is facing two major threats, one arising from counterfeit products and the other from cheap imports. Counterfeit products have a multifold impact on the industry, they not only are damaging the brands but also pose a safety and financial hazard for its victims. Your Company is addressing this issue by working with stakeholders to create awareness and with law enforcement agencies to curb this menace. Cheap imports are a threat as they lead to inefficient utilization of plant and machinery assets. This threat is becoming even more relevant as differential taxation rates on bearing components and finished products prove detrimental for organized players.

Your Company takes note of these threats and tries to convert them into strategic advantages by leveraging on its deep engagement with customers, global expertise and local manufacturing capabilities.

Outlook

The growth outlook for India remains positive. Government spending on infrastructure and consumption led demand will continue to drive this growth. The automotive industry is likely to witness some short term slowdown, but the industrial demand continues to be steady. Initiatives like "Make in India", "Digital India", "Skill India" will have a positive impact on the overall industry.

Organizations are focusing on environmental footprint, sustainability, safety, efficiency and reliability of operations. Total Cost of Ownership, pay-for-performance, inventive financial modeling and smarter interconnected machinery will further lead to creation of technology driven product and solutions.

With its clearly differentiated strategy of addressing the above changing market dynamics with products, solutions, working models and localization plans, your Company is uniquely positioned to sustained growth.

Risks and Concerns

The ERM (Enterprise Risk Management) framework in your company is integrated with its Strategy and Performance. Risk management is therefore a key element to protect its stakeholders to achieve business objectives and enable sustainable growth. The Board has now constituted a Risk Management Committee which includes senior management persons of the Company. The Committee expects that the management defines roles and responsibilities, standards and guidance for the overall entity and its operating units thereby ensuring that each and every member in the organization is responsible and accountable to the ERM.

To manage risks, the Board has established a Risk Management Policy. This comprises the necessary organization, rules and processes for identifying risk at an early stage and taking proactive steps to manage the risks inherent in any commercial activity. The Board monitors and undertakes an assessment of risk critical to the organizations performance. After identifying and assessing the risk, the Company then defines control measures aimed at reducing the likelihood of its occurrence and the potential impact.

ERM risk assessments act as one of the key input for the annual internal audit programmes. The Company also continues to conduct a detailed review and testing of the internal controls known as SICS (SKF Internal Control Systems) which include controls related to financial reporting. This approach provides adequate assurance to the management and the Audit Committee regarding the effectiveness of the internal control procedures defined and implemented by the management.

ERM at SKF focus on the integrated risk management with the holistic approach on existing management processes, identifying future events that can have both positive and negative

effects. The aim is that ERM approach is integrated into an organization's business decisions by involving people at all levels of organization across functions. A review of the progress on safety is separately presented to the Board in its each meeting. There have been no significant changes in the nature of the risk exposure over the last 12 months.

We have strong IT Security in place at various levels. Our applications are under firewall and fully covered in secured environment. Our application data center is having full physical security including access thru biometric equipment etc. All our Critical business application are covered under disaster recovery plan. Further all the SKF system are updated with latest antivirus, we regularly update/monitor the security patch on computer. Any virus thread to computer/server, alert gets generated and IT security team immediately take corrective / remedial action.

Internal Control Systems and Their Adequacy

The Company has adequate policies and procedures which play a pivotal role in the deployment of the internal controls which are regularly reviewed to ensure both relevance and comprehensiveness and compliance is ingrained into the management review process. The Company during the year has reviewed its internal financial control (IFC) systems and has continually worked on establishment of more robust and effective IFC framework. Being part of SKF Group, your company adheres to SICS (SKF Internal Control Standards), which is a customized control system adhered to across the globe by all SKF companies. The standards specified by SICS are an integral part of standard operating procedures for all business functions.

As far as possible, emphasis is placed on compensating controls within the process to minimize deviations and exceptions. The Company also undergoes periodic audit by specialized external professional firms for business specific compliances. The audit committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. The Audit Committee also meets statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and based on its evaluation has concluded that as of March 31, 2019 our internal financial controls were adequate and operating effectively.

Your Company has complied with the specific requirements as laid out under Section 134(5)(e) of the Companies Act, 2013 which calls for establishment and implementation of an internal Financial Control framework that supports compliance with requirements of the Act in relation to the Director's Responsibility Statement. Adequacy of controls of the processes is also being reviewed by Internal Audit function, suggestions to further strengthen the process are shared with the process owners and significant findings along with management response and status of action plans are periodically shared and reviewed by the Audit Committee.

Compliance

The Company's rules are contained in the Code of Conduct which include the obligation to comply with applicable laws and the prohibition of corruption and other violations of the principles. They include the areas of anti-corruption, antitrust, export control and data privacy. The Company continues to exhibit 'zero tolerance' towards any non-compliant behavior and violations have attracted disciplinary consequences.

The Company believes that every employee has a role to play in fostering an environment in which emphasis on compliance with regulations and ethical behavior is accorded due importance. The Company has also invested in a tool for complying and tracking compliances through system. The Company is committed to complying with all laws and regulations as applicable. It monitors and adapts to significant changes in the legal systems and regulatory controls. Given the rapid pace of regulatory changes, the Company proactively analyses the impact of imminent changes well in advance, such changes are also presented periodically to the Board.

Financial and Segment Performance

Revenue from operations for the financial year 2018-19 amounted to ₹30,345 million as compared to ₹27,504 million (comparable figure in the post GST framework) in the previous year showing a growth of 10%. Profit after tax for the same period was ₹3,358 million compared to ₹2,959 million in the previous year, registering a growth of 13%. Your Company has shown a good financial performance despite significant headwinds on both the automotive side and slowing industrial output. The performance was delivered by focusing on our engineering skills, our design competence, continuous emphasis on productivity improvements in operations and continuing to work very closely with customers.

SKF India operates in a single segment, namely in bearings and related components which are used in a wide range of applications across industries. Your Company is one of the most trusted suppliers of bearings, seals, mechatronics, and lubrication systems. Your Company's manufacturing plants continue to be rated amongst the highest in the Global SKF benchmarking rankings.

Key Financial Ratios

Ratios	As at March 31, 2019	As at March 31, 2018
Debtors Turnover (No. of times)	5.7	5.6
Inventory Turnover (No. of times)	3.9	4.0
Interest coverage ratio	69.4	92.6
Current Ratio	3.0	3.3
Debt Equity ratio	0.05	0.05
Operating profit Margin %	17.8%	16.6%
Net Profit Margin %	11.2%	10.7%
Return on Net worth %	19.8%	16.1%

Note: Interest coverage ratio and Return on Net worth varies due to buyback of equity shares of ₹3,990 million in the current year.

Human Resources

The vision of your Company is to create "A world of reliable rotation" and the mission is "To be the undisputed leader in the bearing business". People are the most critical resource which drives our success and hence the Company is committed to the growth, development and engagement of the workforce. Your company has continued with its sustained efforts to attract, develop and retain capable and competent workforce through various initiatives aimed at growth, development and leadership building. With its vision of "Think Business Think People" – the HR Function strives to be a strategic partner to drive business.

During the year, focus was on creating high performing teams that could navigate the Company through the challenges of a growing but volatile market. The Talent development programs are aligned to create enablers to achieve this objective. HR continued to drive initiatives to strengthen Front Line Sales capabilities and make them a dynamic force with the competence to create business opportunities with higher returns and new customers. Structural organizational changes were also made to ensure focused leadership with faster decision making to enable growth. Capability building remained in focus for the sales organization all across, through technical programs, segment and application based programs. Developing customer centric thinking and solution based selling skills was the emphasis. To provide teeth to the After Sales team in Automotive Market, a digital tool "mconnect" has been designed and implemented.

The Manufacturing landscape is rapidly changing with the Industry 4.0 based developments. To ensure that we are ahead of the curve, your company's HR team built a structured approach to create World Class Manufacturing environment in all the factories. Multiple projects have been launched across factories by identifying individuals with an innovation mindset to identify opportunities and implement solutions. A remote sensing facility has been set up at Pune for condition monitoring of bearings at customer sites spread across the country.

Enhancing gender diversity among the workforce has been a continuing journey and in the year women employees were deployed on the factory shop floor in core manufacturing and other support functions. Your company was awarded a place in the 100 Best Companies for Women in India in 2018 by India's first diversity advocate and workplace inclusion expert- **AVTAR**, along with Working Mother Media; a celebrated gender-parity champion in the United States.

Building flexibility, driving productivity and driving competence in the factories has been a continuous effort. Training programs for multi skill development are driven by Kushal Skill Centres in all factories. In the factories a high level of flexibility has been achieved through the model of having NEEM trainees. This model has also been used a channel for the succession of senior operators who are retiring, so that skill loss does not affect productivity by creating a talent pipe line. The long term wage settlements signed with the unions also foster flexibility and enhancement in productivity in the factories. Leadership

Development programs were also introduced for Unions and Work Council members to build their competence and also nurture a collaborative way of working .

Leadership development to run the business and change the business continued to be in focus. With a view to developing leaders, your company created specialized programs across levels to accelerate readiness for growth of employees from one level to the next. The goal is to 'build leadership through action' – Learning by doing. The Leadership Foundation Program, Manage Lead Coach program deployment continued for first time managers and people managers. External coaches were assigned to new leaders having recently transitioned into larger roles.

The kaizen culture which the Company drives all across factories has been an important avenue for employees to think out of the box and provide sustainable solutions to many process and technical challenges. It drives a culture of problem solving and involvement by the employees. Participation in external regional, national and international competitions provide the employees a large platform of learning from the industry. Your company has sponsored employees from the management and blue collar to compete at international competitions by ICQC at Singapore. Participation in Awards like the Frost & Sullivan Excellence provides opportunity to the employees for benchmarking with best practices in the industry. All participating factories of your company won awards in the year 2018 which included a Platinum Award.

Given the technology advancements automation, advances in AI, changing workforce demographics, Companies needs to be innovative in thinking about what will worked for the changed workforce of today. At SKF keeping this in mind we are investing in employee skills, training or re-training and enablement in technology. We constantly explore process automation strategies for processes so that employees focus on high-expertise roles.

Recognition of Winning behaviors is key to success and sustainability of the behavior. To address this, Premium Club Awards were hosted by your company. The awards were given out to amplify 'above and beyond' examples of winning behaviors displayed by employees. Your Company's management takes efforts to connect with employees on a regular basis, communicate in an open and transparent manner by means of regular employee forums and other mediums of internal communication. Your Company has a strong focus on employee engagement and people development. The management of your company deeply appreciates the spirit and commitment of it's dedicated 1759 employees.

Cautionary Statement

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

For and on behalf of the Board
SKF India Limited

Rakesh Makhija
Chairman
DIN:117692

Bengaluru
May 15, 2019

Corporate governance report

ANNEXURE II – TO THE DIRECTOR'S REPORT

Philosophy on Code of Corporate Governance

Corporate Governance is the underlying philosophy that steers a company to economic growth and corporate success in a sustainable and ethical manner. These are a set of rules and practices used by the management of the Company to ensure transparency and fairness in a company's business ecosystem and operations. It refers to processes by which a company is managed and monitored to assure of a transparent decision making that protects the interests of all its stakeholders. Such good practices bring in trust and accountability that are essential to foster long and short term financial stability and business growth in a sustainable and ethical manner.

SKF philosophy of Corporate Governance is built around the principles of "SKF Care". SKF Care is our approach to securing positive and sustainable development for the Company. It envisages ethical business decisions and a firm commitment to our core values of high ethics, empowerment, openness and teamwork. SKF applies the principles of sound corporate governance as an instrument for increased competitiveness and to promote confidence in SKF among all stakeholders. This means that the Company maintains an efficient organizational structure with clear areas of responsibility and clear rules for delegation, that the financial, environmental and social reporting is transparent and that the Company in all respects maintains good corporate citizenship. Our Corporate governance is concerned with holding the balance between economic and social goals, as well as between individual and organization goals.

The Company is in compliance with the requirements stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) as applicable with regard to corporate governance.

1. Group Structure

SKF India Limited is an affiliate of the Sweden based SKF Group, which was founded in 1907. SKF Group is the leading global supplier of products, solutions and services in the sphere of rolling bearings, sealing solutions, mechatronics, services and lubrication systems as well as solutions for machine health assessment, reliability engineering and selective remanufacturing of large bearings, all of which are designed to improve rotating equipment performance. The SKF business spans across 40 different industries with a large number of customers and applications and is spread over 130 countries .

2. Governance Structure

The Company follows a multi layered Governance structure. It broadly comprises of the Board of Directors and the Committees of the Board at the apex level and the executive management structure at the operational level, thus bringing a harmonious blend in governance as the Board sets the overall strategic direction and corporate objectives at the top, whilst giving direction and freedom to the executive management to achieve these objectives within a given framework.

3. Governance Policies

The Company's Philosophy on Corporate Governance envisages the adoption of best business policies and alignment of the highest levels of transparency, integrity, responsibility, accountability and equity in all facets of its operations and in all its interactions with its stakeholders. The Company's corporate governance philosophy has been further strengthened by adopting the following codes and policies :

- Code of Conduct for Directors / Senior Management
- Code of Conduct for Prevention of Insider Trading
- Health, Safety and Environment Policy

- Vigil Mechanism Policy
- Ethics Policy
- Prevention of Sexual harassment Policy
- Corporate Social Responsibility Policy
- Directors Policy
- Dividend Policy
- Related Party Transaction Policy
- Code of Practices and Procedures for fair Disclosure of unpublished price sensitive information
- Policy for preservation of documents
- Remuneration Policy for Directors, KMP's and Senior Management
- Policy for Determination of Materiality of events for disclosure to the stock exchanges

4. Board Of Directors

The Board of Directors along with its committees oversees the Company's overall functioning and provides strategic direction, leadership and guidance to the Company's management with the objective of creating long term value for the Company's stakeholders. The Board represents an optimal mix of professionalism, knowledge and experience.

4.1 Composition

As on March 31, 2019, the Board of Directors comprises of six Directors, comprising (i) two non-executive Directors including the Chairman, (ii) Managing Director, and (ii) three Independent Directors, including a woman Director, as defined under the Companies Act, 2013 and the SEBI's Regulations, 2015.

The core skills / expertise / competencies identified by the Board of Directors in the context of its business and sector were industry experience, Sector specific knowledge of Bearings and its user industries, Marketing, Strategic thinking / planning, Finance / Accounting Acumen, IT / System knowledge, Leadership skills and Regulatory laws. The Board of SKF India is having the skills / expertise / competencies mentioned aforesaid except for the IT System / Governance law for which Board either invites or takes view of internal and external expert as and when required.

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, all the independent Directors are independent in terms of the SEBI Regulations.

4.2. Disclosure regarding appointment / re-appointment of Directors

The Directors of the Company are appointed by the Board which are confirmed by Members in the next General Meeting pursuant to the provisions of the Companies Act,

2013. The Executive Directors serve in accordance with the terms of their contract of service with the Company. One third of the Directors shall retire every year by rotation and if eligible these directors qualify for re-appointment. The Independent Directors of the Company have been appointed as per the provisions of the Companies Act, 2013 ("Act") at the Annual General Meeting of the Company held on April 23, 2015 for a period of 5 years till July 2019. In order to bring fresh thinking on the Board, Mr. R. Makhija and Mr. P M Telang have tendered their resignation to be effective from May 16, 2019. Ms. H. Hattangady and Mr. P R Menon have tendered their resignation for personal reasons to be effective from April 1, 2019 and May 16, 2019 respectively. Mr. Carl Orstadius who was appointed as the Managing Director effective April 1, 2018 has resigned as the Managing Director of the Company effective from August 16, 2018. The Board of Directors at its meeting held on August 7, 2018 approved the appointment of Mr. Manish Bhatnagar as a Director and Managing Director for a period of five years with effect from August 16, 2018 on the terms and conditions and remuneration as recommended by the Nomination and Remuneration Committee. Brief profile of Mr. Manish Bhatnagar is available in the Notice of the annual general meeting to the shareholders.

Brief profile of the persons sought to be appointed / re-appointed as Directors at the ensuing Annual General Meeting of the Company are attached to the Notice of the Annual General Meeting to the shareholders.

4.3. Conduct of Board proceedings

The Board provides the Company's vision, strategic direction and guidance and evaluates the management policies and their effectiveness. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Schedule II to Regulation 17 of SEBI Regulations such as :

- Annual operating plans, budgets, Capital budgets including any updates.
- Contracts, if any, in which Director(s) are interested
- Quarterly results
- Minutes of meetings of committees of the Board of Directors
- The information on recruitment and remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.

- Any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company.
- Details of any joint venture or collaboration agreement, if any.
- Transactions that involve substantial payment towards goodwill, brand equity or intellectual property, if any.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme, etc.
- Sale of investments, subsidiaries, assets which are material in nature and not in the normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risk of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service such as non-payment of dividend, delay in share transfer.

The Board / Committee meetings are pre-scheduled, a tentative annual calendar of meetings is circulated to the Directors well in advance and agenda papers are provided generally one week before the meeting within

period stipulated in the Secretarial Standard. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting.

The Chief Financial Officer and Company Secretary / Compliance Officer attend all meetings of the Board and its Committees, advises / assures the Board on compliance and governance principles and ensures appropriate recording of minutes of the meetings.

4.4. Board Meetings

The Board met six times during the year – May 8, 2018, July 8, 2018, August 7, 2018, October 24, 2018, December 21, 2018 and February 8, 2019. The intervening period between two meetings were within the maximum time gap prescribed under the law. During the year, the Independent Directors of the Company met separately on March 21, 2019, to review the performance of Non-Independent Directors, the Board and the Chairman of the Company and to assess the quality, quantity and timeliness of flow of information between the Management and the Board. All the Independent Directors attended the meeting.

4.5. Attendance & other Directorships

The details relating to composition and category of Directors, Directorship held by them in other companies and their membership and chairmanship on various committees of Board for other companies as on March 31, 2019 and attendance of directors at the Board meetings and at the Annual General Meeting held during the year under review are given below :

Name of Director	No. of Board Meetings attended	Attendance at the last Annual General Meeting	Directorship in other companies (other than SKF India) [Refer Note (a)]	No. of Committees in which Chairman/Member (other than SKF India) (Refer Note c)	
				Member	Chairman
Mr. R. Makhija, Chairman	6	Yes	4	3	-
Ms. H. A. Hattangady	5	Yes	3	1	-
Mr. P. R. Menon	6	Yes	3	-	-
Mr. P. M. Telang	6	Yes	4	4	1
Mr. Bernd Stephan	3	Yes	-	-	-
Mr. Carl Orstadius (upto 15.8.2018) Managing Director	2	Yes	-	-	-
Mr. Manish Bhatnagar (from 16.8.2018) Managing Director	3	N.A.	1	1	-

Notes:

- This excludes alternate directorships / directorships of foreign companies wherever applicable.
- None of the Directors have received any loans and advances from the Company.
- Audit and Stakeholders Relationship Committee only
- None of the directors are related to each other
- No director is a member of more than 10 board committees or Chairman of more than 5 Board Committees across all public limited companies. Further no Independent Directors serves as Independent Director in more than 7 listed companies.

4.6. Familiarization Programs for Independent Directors

All Board members of the Company are afforded every opportunity to familiarize themselves with the Company, its management, its operations and above all, the industry perspective and issues. Presentations are made by Managing Director and Senior Management giving an overview of operations to familiarize with the Company's business operations. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. A separate strategic meet is specifically planned wherein economic and market environment along with organization preparedness to respond is presented to them. Normally in each Board meeting specific agenda item are included wherein operational issues / changes in statute are discussed. Details on familiarization programs imparted to Directors of the Company is available on the website of the Company "<http://www.skf.com/in/investors/shareholder-information/index.html>"

4.7. Performance Evaluation

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the committees of the Board. The performance of the Board / Committees was evaluated after seeking inputs from the members on the basis of criteria such as the composition, structure, effectiveness of board processes, information and functioning etc.

In a separate meeting of independent directors, performance of non-independent directors, the Chairman of the Company and the board as a whole was evaluated, taking into account the views of Executive and Non-Executive Directors.

The NRC and the Board reviewed the performance of individual directors on the basis of criteria such as the preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc. Based on the inputs received from the Directors, an action plan is drawn up to encourage greater engagement of the Independent Directors with the Company.

4.8. Country Management Team (CMT):

The Country Management Team comprises of senior management members from the businesses and functions. The CMT meets as and when required but generally at least once in a month to develop and implement policies, procedures and practices that attempt to translate the Company's core purpose and mission into reality. The CMT is responsible and accountable for overall business deliverables. The performance targets, cross functional operational matters, business challenges, regular review of business performance and implementation of the decisions taken are the usual agenda items which are considered in the meetings.

4.9 Independent Directors Meeting

During the financial year, the Independent Directors met separately on March 21, 2019 without the presence of Non-Independent Directors and members of the management in compliance with SEBI Regulation and Schedule IV of the Companies Act, 2013. In the said meeting, the Independent Directors inter-alia considered the following:

- i. Review of performance of Non-Independent Directors and the Board as a whole
- ii. Review of performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors
- iii. Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties

4.10 Details of Directorship

Name of Director	Category	Directorship in other listed entity
Mr. R. Makhija, Chairman	Non- Executive, Non-Independent	<ol style="list-style-type: none"> 1. Tata Technologies Limited (Independent) 2. Axis Bank Ltd (Independent) 3. A. Treds Ltd (Independent) 4. Tata Marcopolo Motors Ltd (Independent)
Mr. P M Telang	Independent	<ol style="list-style-type: none"> 1. Persistent Systems Limited (Independent) 2. Cummins India Limited (Independent) 3. Tema India Limited (Non-Executive) 4. Lokmanya Hospitals Pvt Ltd (Non-Executive) 5. Kennametal India Ltd (Independent)
Mr. P R Menon	Independent	<ol style="list-style-type: none"> 1. Dr. Reddy's Laboratories (Independent) 2. Singapore Tourism Board (independent) 3. Sanmar Group Advisory Board (Independent)

Name of Director	Category	Directorship in other listed entity
Mr. H. Hattangady	Independent	<ol style="list-style-type: none"> 1. Conssul Realestate Bengaluru Pvt Ltd (Executive) 2. Conssul Energy Pvt Ltd (Executive) 3. NELCO (Independent) 4. Ace Designers Ltd (Independent) 5. Tatanet Services Ltd (independent)
Mr. B. Stephan	Non- Executive, Non-Independent	N.A.
Mr. M. Bhatnagar	Executive	Lincoln Helios (I) Ltd (Non-executive, Non-Independent)

Note – Other Directorship do not include directorship of foreign companies and companies registered under Section 8 of the Act.

5. Board Committees

The Board Committees operate as empowered agents of the Board as per their Charter / Terms of Reference. Target set / actions directed by them, as agreed with management are reviewed periodically. In case of matters which are of great importance, decisions are taken through circular resolutions which are noted at the next meeting. The minutes of the meetings of all committees of the Board are placed before the Board for noting.

The Board of Directors have constituted four Board Committees with specific terms of reference and scope. (a) Audit Committee (b) Nomination and Remuneration Committee (c) Corporate Social Responsibility Committee and (d) Stakeholders Relationship Committee. The Board has also constituted a Risk Management Committee effective from April 1, 2019. The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below.

5.1. Audit Committee (AC)

The Members of the Audit Committee have wide exposure and knowledge in areas of finance and accounting. The Audit Committee (AC) acts as a link between the statutory and internal auditors and the Board of Directors. It assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes, reviewing the Company's established systems & processes for internal financial controls, governance and reviewing the Company's statutory and internal audit activities.

The AC comprises of three non-executive directors among whom two are independent directors including Chairperson – Mr. P. R. Menon as Chairperson, Mr. P. M. Telang and Mr. R. Makhija as members. The Managing Director, the Chief Financial Officer, the Statutory auditor and the internal auditor are permanent invitees to the meetings of the Audit Committee. The Company Secretary is the Secretary of the Committee. The Cost Auditor and Secretarial Auditor are invited to meetings whenever matters relating to cost audit / secretarial audit have to be considered. 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. The previous AGM of the Company was held on July 25, 2018 and was attended by the Chairman of the Audit Committee.

The Company has an internal audit team of professionals. Apart from this, the Company's systems of internal controls covering financial, operational compliance and IT applications etc. are reviewed by external experts and firms of Chartered Accountants from time to time. A report and presentations of its summary are made to the Audit Committee in each meeting on the findings of internal audits carried out.

Audit Committee meetings are generally preceded by pre-Audit Committee meeting with the Chairman of the Audit Committee wherein the CFO, the internal audit team and Company Secretary participate. The internal and statutory auditors of the Company discuss their audit observations and submit their views directly to the AC.

5.1a Scope of Audit Committee

The constitution of the AC is in conformance with the requirements of Sec. 177 of the Companies Act, 2013 and as per the requirements of Regulation 18 of SEBI Regulations. The terms of reference of the Audit Committee are broadly as under:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommend to the Board, the remuneration and terms of appointment of the auditors of the Company;
3. Review and monitor the auditor's independence and performance, and effectiveness of the audit process;
4. Review with the management the quarterly / annual financial statements before submission to the Board for approval with particular reference to:
 - a. 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;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;

- c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Qualifications in the draft audit report, if any.
5. Review, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems;
 6. Review the adequacy of the internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure and frequency of internal audits;
 7. To review the functioning of the whistle blower mechanism;
 8. The scrutiny of inter-corporate loans and the investment policy of the Company;
 9. Approval or any subsequent modification of transactions of the Company with related parties;
 10. Internal Audit Plan with a view to ensure adequate coverage;
 11. Evaluation of internal financial controls and risk management systems;
 12. Review 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;
 13. Approval of appointment of the CFO;
 14. To mandatorily review the following information:
 - a. Management discussion and analysis of financial conditions and results of operations;
 - b. Statement of Disclosure of any related party transactions;
 - c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. Internal audit reports and discussion about their findings with the management and suggesting corrective actions wherever necessary
 - e. Major accounting entries involving estimates based on the exercise of judgment by management;
 - f. Significant adjustments made in the financial statements arising out of audit findings, if any

5.1b Meetings and attendance

During the year four Audit Committee Meetings were held on May 7, 2018, July 24, 2018, October 23, 2018 and February 7, 2019.

The quorum as required under the statute was maintained at all the meetings. Details of attendance at the aforementioned meetings are as follows:

Name of Director	Category	No. of Meetings Attended
Mr. P. R. Menon	Chairman	4
Mr. P. M. Telang	Member	4
Mr. R. Makhija	Member	4

5.2. Nomination and Remuneration Committee (NRC)

The constitution of Nomination and Remuneration Committee is in conformance with the requirements of Sec 178 of the Companies Act, 2013 and also as per the requirements of Regulation 19 of the SEBI Regulations and comprises entirely of Independent Directors. Commission payable to non-executive directors is approved by the Board as per the mandate given by the shareholders in the General Meeting.

Nomination and Remuneration Committee has been entrusted with the following responsibilities:

1. To recommend appointment of a director and to formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a remuneration policy for Directors, Key Managerial Personnel (KMP) and other employees.
2. Devise a policy on Board diversity.
3. To review goals and objectives relevant to the compensation of the Executive Director.
4. Evaluating Executive Director performance, determine and approve the compensation based on evaluation including annual increment and incentive remuneration after reviewing performance.
5. Recommend to the Board, all remuneration in whatever form, payable to senior management.
6. To formulate criteria for the evaluation of Board / Committee / Individual member and support the Board in evaluation of the performance of the Board

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 Head of Human Resources (HR) makes periodic presentations to the Committee on the organization structure, talent management, succession planning and various HR policies being followed by the Company. The Chairman, Managing Director and CFO participate as invitees and the Company Secretary acts as the Secretary of the Committee. The below table gives the composition and attendance record of the Nomination and Remuneration Committee:

Name of Director	Category	No. of Meetings Attended
Mr. P. M. Telang Chairman	Independent, Non-Executive	3
Mr. P. R. Menon	Independent, Non-Executive	2
Ms. H.A. Hattangady	Independent, Non-Executive	3

The NRC met three times on August 7, 2018, October 23, 2018, and March 20, 2019 during the year under review.

5.2a Remuneration policy

The Company's remuneration policy is broadly guided by the principle that it should be so designed that the Company gains a competitive advantage in attracting, retaining and motivating talent. This can be ensured by providing a remuneration structure benchmarked with comparable companies so as to attract talent. At the same time the reward structure is linked to the overall company's performance and individual performance. The remuneration for the Executive Directors and senior management is recommended by the Nomination and Remuneration Committee to the Board for consideration. All Directors other than Executive Director or employed with the SKF Group are entitled to receive sitting fees and reimbursement of any expenses incurred for attending the Meetings of the Board and its Committees, as well as commission based on the net profits of the Company within the limits approved by the shareholders.

As per the policy framed, a person to be appointed as a director / senior management personnel should possess adequate and relevant qualification, positive attributes, expertise and experience for the position which is being considered for. The assessment and appointment of such person is based on a combination of criteria that includes ethics, personal and professional stature, domain expertise and specific qualifications required for the position.

All persons appointed as Directors on the Board of Directors of the Company shall ensure compliance with all the policies and regulations adopted by the Company, in particular the Code of Conduct for Directors and Senior Management Personnel, the Code of Conduct for Prevention of Insider Trading, Whistle Blower Policy or

any other policy as may be framed from time to time. The potential Board member is also assessed on the basis of independence criteria defined in Section 149(6) of the Companies Act, 2013 as well as duties to be performed under section 166 of the Companies Act, 2013.

Directors

1. Remuneration to Executive Directors shall involve a balance between fixed and incentive pay reflecting 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. An Independent Director shall not be eligible for any Stock Option Scheme of the Company if any such scheme exists.
4. The maximum remuneration payable to any one 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.
5. The remuneration payable to the Non-Executive Directors shall not exceed 1% of the Net Profits of the Company.

The Directors shall be entitled for reimbursement of any expenses incurred in connection with participation at the meetings of the Board of Directors or any Committee thereof.

Other Employees

The compensation and remuneration for the Senior Management including KMP shall be as per the contract entered into by them with the Company and shall be decided according to the policies laid down by the Human Resources Department (HRD).

While laying down the policies for remuneration, the HRD shall take into account the relevant skill sets and experience of the individual as well as the market conditions.

The premium paid by the Company for the Directors and Officers Liability Insurance Policy taken by the Company on behalf of its Directors, Chief Financial Officer or Company Secretary for indemnifying them against any liability in respect of any negligence, default, misfeasance, breach of

duty or breach of trust shall not be treated as a part of the remuneration.

1. Details of remuneration to Mr. Carl Orstadius, Managing Director for the year are as under

Description	Amount (₹)
Salary	8,735,885
Perquisites	807,686
Deferred Benefits (PF and Superannuation)	2,768,498
Stock Award*	752,637
Performance Linked Incentives	1,389,953
Total	14,454,659

* Managing Director is entitled for 'Stock Award' from the parent company being part of the long term variable salary. During the year value of share vested to him was 752,637.

2. Details of remuneration to Mr. Manish Bhatnagar, Managing Director for the year are as under:

Description	Amount (₹)
Salary	12,713,194
Perquisites	204,294
Deferred Benefits (PF and Superannuation)	1,373,269
Stock Award*	-
Performance Linked Incentives	3,813,958
Total	18,104,715

* Managing Director is entitled for 'Stock Award' from the parent company being part of the long term variable salary. During the year value of share vested to him was Nil

- 5.2b The details of the remuneration paid/ payable to other Non-Executive Directors are as under :

Name of the Director	Sitting Fees	Commission*	Total
Mr. P. R. Menon	6,60,000	18,75,000	25,35,000
Mr. P. M. Telang	7,50,000	18,75,000	26,25,000
Ms. H. A. Hattangady	6,00,000	18,75,000	24,75,000
Mr. R. Makhija	7,45,000	23,00,000	30,45,000

*payable subject to approval of annual accounts by the Shareholders at the forthcoming Annual General Meeting to be held on July 23, 2019.

5.3 Corporate Social Responsibility Committee (CSR)

The Company has been taking care of the communities where it operates long before it became mandated by law. A formal Committee of the board as required under

the Companies Act, 2013 was constituted in 2014. The composition and attendance record of the CSR Committee are mentioned below:

Name of the Director	Category	No. of meetings attended
Ms. H. A. Hattangady Chairman	Independent, Non-Executive	3
Mr. R. Makhija	Non-Executive Non-Independent	3
Mr. Carl Orstadius (upto 15.8.2018)	Executive	1
Mr. Manish Bhatnagar (from 16.8.2018)	Executive	2

During the year, the Committee met thrice on May 7, 2018, October 23, 2018 and February 8, 2019.

The terms of reference of the CSR Committee broadly comprises:

- To formulate and recommend to the Board, a CSR Policy
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor its progress.
- To recommend the amount of expenditure to be incurred on the each of the activities carried out under the CSR Policy.
- To review the existing CSR Policy and to make it more comprehensive keeping in mind the activities specified in Schedule VII of the Companies Act, 2013

The CSR Report forms part of the Board's Report to the Members of the Company.

5.4 Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee comprises of three members, Chairman of the Committee is an Independent Director. The Company holds Stakeholders Relationship Committee meetings on a periodical basis, as may be required to approve the transfers/transmissions/ issue of duplicate share etc. The broad terms of reference of this Committee includes the following:

- To approve transfer / transmission of shares, issue of duplicate shares;
- Review of queries received from investors;
- Review of work done by the share transfer agent;
- Review of corporate actions related to shareholder issues, if any.

5. Review of adherence to the service standards in respect of various services being rendered by the Registrar & Share Transfer Agent
6. Ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company

Each month a report is obtained from Registrar and Share Transfer Agent on correspondence/communication received from the shareholders. The Company follows the practice of inquiring from BSE/NSE regarding any pending shareholder's grievances.

During the year under review nine meetings were held on the following dates:

April 10, 2018, May 7, 2018, June 1, 2018, June 19, 2018, July 20, 2018, August 29, 2018, October 3, 2018, December 21, 2018 and March 20, 2019.

The Company has appointed TSR Darashaw Consultants Pvt. Limited to act as Registrar and Share Transfer Agents of the Company. To expedite the process of physical transfer of shares, the Board has delegated the authority to the Registrar & Share Transfer Agent for physical transfer of shares. The physical transfers of shares approved are ratified at the subsequent Stakeholders Relationship Committee meeting.

The composition of the Stakeholders Relationship Committee is as under:

Name of the Members	Category	No. of Meetings Attended
Mr. R. Makhija, Chairman	Non- Executive	7
Mr. P. M. Telang	Non-Executive Independent	8
Mr. Carl Orstadius (upto 15.8.2018)	Executive	5
Mr. Manish Bhatnagar (from 16.8.2018)	Executive	4

The Company Secretary officiates as the Secretary of the Committee and is also designated as Compliance Officer in terms of SEBI Listing Regulations.

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	5	5	0
	b Outdated, Duplicate warrants and changes on live warrants (where new instruments being issued)	195	176	19
	c Issue of new drafts against unencashed drafts / recovery drafts	35	35	0
	d Non-receipt of warrants	0	0	0
	e Non-receipt of payments (where new instruments already issued)	31	31	0
	f Unclaimed and unpaid amounts transferred to ROC / IEPF	5	5	0
	g Miscellaneous	181	180	1
2.	Annual Report	0	0	0
3.	Change in name / status	15	15	0
4.	Communication received through SEBI and other statutory / regulatory bodies	7	7	0
5.	Conversion / demerger - scheme of arrangement / exchange/ merger - amalgamation of companies / sub-division	170	162	8
6.	Demat / remat of Shares	5	5	0
7.	Document Registration	41	41	0
8.	Legal matters	1	1	0
9.	Loss of securities	452	435	17
10.	Nomination	1	1	0
11.	Transfer of Securities	14	13	1
12.	Transmission of Securities	134	127	7
13.	Other queries	317	296	21
14.	Change of address	114	112	2
15.	Change in Bank details	127	106	21
16.	Issue of new certificates on split / consolidation / renewal	26	26	0
17.	Pan updation	3	3	0
TOTAL		1888	1791	97

Other queries in serial no.13 above mainly includes inquiries relating to, beneficiary details for securities held in electronic form, signature case, incomplete / incorrect details, mailing of certificates and split / consolidation / renewal queries.

1888 correspondences were received by the Company out of which 1791 correspondence were replied to the satisfaction of shareholders during the year under review. 97 outstanding correspondences as on March 31, 2019 have been attended by April 11, 2019.

All the members of the Committee have attended the Annual General Meeting.

The Committee expresses satisfaction with the Company's performance in dealing with the shareholders' grievances and its share transfer system.

6. General Body Meetings

i) Details of General Meetings:

Location, date and time of General Meetings held during the last three years:

Financial Year ended	Location of the meeting	AGM/ EGM	Date	Day	Time	Special Resolutions
31.03.2016	M. C. Ghia Hall Bhogilal Hargovindas Building, 4 th Floor, 18/20 K.Dubash Marg, Kala Ghoda, Mumbai 400001.	AGM	20.7.2016	Wednesday	3.30 p.m.	Commission payable to Directors
31.03.2017	M. C. Ghia Hall Bhogilal Hargovindas Building, 4 th Floor, 18/20 K.Dubash Marg, Kala Ghoda, Mumbai 400001.	AGM	28.7.2017	Friday	3.30 p.m.	None
31.3.2018	Rangaswar Hall, 4 th Floor, Yashwantrao Chavan Pratishthan, Gen. Jagannath Bhosale Marg, Nariman Point, Mumbai 400021	AGM	25.7.2018	Wednesday	3.00 p.m.	None

- ii) Details of special resolution passed through postal ballot: During the year, the Company sought the approval of the shareholders by way of Special Resolution through notice of postal ballot dated October 24, 2018 for Buyback of Equity Shares of the Company, the results of which were announced on December 3, 2018. Mr. P. N. Parikh (Membership No. FCS 327) of M/s Parikh & Associates, Practicing Company Secretaries were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

Details of Voting Pattern of the same were as under:

Votes in favour of the resolution

Number of members voted through electronic voting system and through Physical ballot form	Number of Valid Votes cast (Shares)	Percentage of total number of valid votes cast
258	41,878,475	99.10

Votes against the resolution

Number of members voted through electronic voting system and through Physical ballot form	Number of Valid Votes cast (Shares)	Percentage of total number of valid votes cast
30	381,597	0.90

Invalid Votes

Total Number of members whose votes were declared invalid	Total number of invalid votes case (shares)
5	385

Procedure for postal ballot:

The postal ballot was carried out as per the provisions of Section 108 and 110 and other applicable provisions of the Act, read with the Rules framed thereunder.

7. Disclosures

7.1. Related Party Transactions

There were no materially significant related party transactions which had potential conflict with the interest of the Company. Prior omnibus approval of the Audit Committee was obtained for the transactions which are foreseen and are repetitive in nature. All transactions entered into with related parties during the year were carried out in the ordinary course of business and on arm's length basis. A statement in summary form of transactions with related parties is placed before the Audit Committee / Board on quarterly basis.

Transactions with the Related Parties as required under the Indian Accounting Standard (Ind AS) are disclosed in the financial statements forming part of this Annual Report. The Company has framed a Policy on Related Party transactions and the same can be accessed through "<http://www.skf.com/binary/83-166889/Policy-on-Related-Party-Transactions-modified-highlighted-Sept-2014.pdf>".

7.2 Risk Management

Risk Management is put in place for all the areas of operations in the Company and well-integrated in the business cycle. The Company has identified the risk areas in its operations along with its probability and severity, business unit and function wise. Risk Management framework is put in place in the Company in order to

analyze, control and mitigate risk. Under this framework, system and process are set to identify, gauge and mitigate any potential risk promptly and efficiently in order to manage and control them effectively.

The Company has formed a Risk Management Committee consisting of Board members and Senior management. The Board and the Audit Committee review the effectiveness of the Risk Management framework and provide advice to the Risk Management committee. The SKF Internal Control Standard (SICS) defines each process and control with clear responsibility and authority. All high and medium risk controls defined in SICS are tested periodically. The progress on key risks is discussed at the Company's management level and thereafter, the same is presented to the Audit Committee and Board.

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 regular basis using pricing trends and forecast from internationally reputed agencies. Wherever co-relation exists, 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 minimize commodity risks.

Foreign Exchange Risk:

The Company is a net importer and therefore is exposed to foreign exchange risk. However, the Company does not do hedging as a Policy on trade account and instead tries, as far as possible, to hedge its business to protect itself against the vagaries of currency by entering into appropriate contracts with its suppliers and customers.

7.3 Accounting Treatment

The Company adopted Indian Accounting Standards from April 1, 2016 and accordingly the financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable.

7.4 Compliances

The Company has complied with the requirements of Stock Exchanges, Securities and Exchange Board of India and other statutory authorities on matters relating to capital markets during the last three years and consequently no penalties or strictures have been imposed on the Company by these authorities.

7.5 Prevention of Insider Trading:

Your Company has adopted a Code of Conduct as per Securities and Exchange Board of India (Prohibition of

Insider trading) Regulations, 2015. All Directors, Designated Employees who could have access to the Unpublished price Sensitive Information of the Company are governed by the Code. During the year under review, there has been due compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015. The Insider Trading Code aims at preserving and preventing misuse of unpublished price sensitive information.

Shares held by the Directors and KMP as at March 31, 2019 is as under:

Name of Director / KMP	No. of shares held
Mr. R. Makhija	Nil
Ms. H. A. Hattangady	Nil
Mr. P. R. Menon	Nil
Mr. B. Stephan	Nil
Mr. P. M. Telang	1,000
Mr. C. Orstadius (upto 15.8.2018)	Nil
Mr. M. Bhatnagar (from 16.8.2018)	Nil
Mr. C. Srinivasan	Nil
Mr. P. Bhandari	Nil

7.6 Code of Conduct

SKF Code of Conduct is a comprehensive written code which is applicable to all employees including the Managing Director. Your Company has adopted a separate Code of Conduct for Members of the Board and Senior Management personnel which is placed on the Company's website. The Code aims at ensuring consistent standards of conduct and ethical business practices across the Company. In respect of financial year 2018-19, all Board Members and senior management personnel have affirmed compliance with the code of conduct and a declaration to this effect signed by the Managing Director and CEO is published in this Annual Report..

7.7 Vigil Mechanism / Whistle Blower Policy:

The Company has a Whistle blower Policy in place. The direct access to the Chairman of the AC is available to raise concerns and alarms about unethical behavior, suspected frauds and violation of Company's code of conduct. There are safeguards to ensure that all employee concerns receive due consideration. The Policy of the Company has been posted on the website of the Company. No personnel has been denied access to the Audit Committee.

The said policy has been put up on the website of the Company "<http://www.skf.com/binary/83-166890/Vigil-Mechanism-Policy-31.07.2014-FINAL.pdf>".

7.8 A certificate has been received from Parikh and Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has 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.

8. Means of Communication

8.1. The Company has 23,505 shareholders. The Company follows multiple channels of communication viz., through dissemination of information on the on-line portal of the Stock Exchanges, press releases, the Annual Reports and uploading relevant information on its website. The shareholders' meeting is the Company's highest decision-making body. The Annual General Meeting is the principal forum for face-to-face communication with shareholders, where the Board provides answers to specific queries of the shareholders.

8.2. Results: The quarterly/half-yearly/annual results are regularly submitted to the Stock Exchanges in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are published in a English newspaper and a vernacular newspaper and are also posted on the Company's website.

8.3. News Releases : Official press releases are sent to the Stock Exchanges and the same is hosted on the website of the Company.

8.4. Website : The Company's website contains a dedicated section "Investors" which displays details / Information of interest to various stakeholder.

8.5. Presentation to Institutional Investors / analyst: The compliance reports, details of analysts and institutional investor meetings, if any and other announcements are sent to the National Stock Exchange of India Limited and the Bombay Stock Exchange Limited through NEAPS and BSE Listing respectively, which is a web based application designed for Corporates.

- Securities and Exchange Board of India has commenced processing of investor complaints in a centralized web based complaints redress system 'SCORES'. Accordingly, all complaints are viewed & Action Taken Reports are electronically submitted by the Company through SCORES.
- The website of the Company provides information on unclaimed dividends, compliance reports and other relevant information of interest to the investors / public.

9. General Shareholder Information

9.1. Annual General Meeting Day, Date and Time: Tuesday, July 23, 2019 at 3.00 p.m.

9.2. Venue: Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai - 400 021.

9.3. Financial Calendar

The Company follows April to March as a financial year. The results for every quarter are published within forty-five days following the quarter including the last quarter for which the annual audited results are also published within 60 days as permitted under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

9.4. Date of Book Closure

Monday, July 15, 2019 to Tuesday, July 23, 2019 (both days inclusive)

9.5. Dividend payment date after July 23, 2019

9.6. Registered Office

Mahatma Gandhi Memorial Building, Netaji Subhash Road, Charni Road, Mumbai - 400 002.

9.7. Listing of Equity Shares on Stock Exchanges

The Company's shares were listed on May 7, 1962 on the Bombay Stock Exchange Limited and on December 28, 1998 at the National Stock Exchange of India. Equity Shares of the Company are presently listed on the following Stock Exchanges:

Bombay Stock Exchange Limited

Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001.

National Stock Exchange of India Ltd.

Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

2,488 Shares kept in abeyance as per Bombay Stock Exchange directives at the time of rights issue in November 2001, shall be listed as and when allotted based on applications received from the shareholders.

The Company has paid the listing fees for the period April 1, 2018 to March 31, 2019 to both the Stock Exchanges and respective depositories where the shares of the Company are listed.

9.8. Stock Code

Bombay Stock Exchange Limited - BSE CODE 500472
National Stock Exchange - NSE Symbol - SKFINDIA
Securities ISIN nos. with NSDL and CDSL Equity Shares :
INE640A01023

9.9. Corporate Identity Number (CIN)

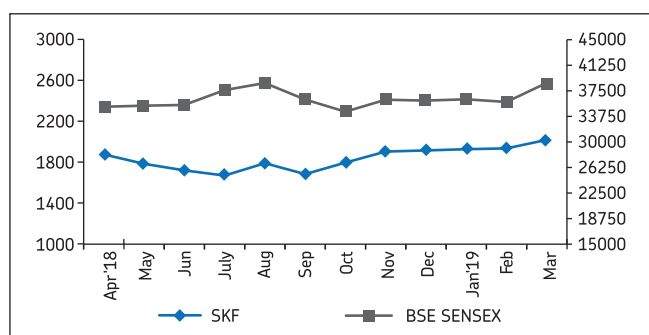
Corporate Identity Number (CIN), allotted by Ministry of Corporate Affairs, Government of India is 'L29130MH1961PLC011980'.

9.10. Stock Price Data

Month	Price at Bombay Stock Exchange		Price at National Stock Exchange		Indices: Sensex	
	High	Low	High	Low	High	Low
April 18	1,923.85	1,760.00	1,925.00	1,751.15	35,213.30	32,972.56
May 18	1,900.00	1,701.05	1,898.40	1,711.50	35,993.53	34,302.89
Jun 18	1,840.00	1,710.05	1,840.00	1,706.10	35,877.41	34,784.68
July 18	1,785.00	1,610.00	1,797.95	1,600.50	37,644.59	35,106.57
Aug 18	1,812.00	1,664.40	1,819.00	1,652.25	38,989.65	37,128.99
Sept 18	1,809.95	1,667.10	1,820.00	1,667.30	38,934.35	35,985.63
Oct 18	1,807.95	1,620.00	1,810.00	1,626.00	36,616.64	33,291.58
Nov 18	1,909.95	1,778.20	1,909.90	1,780.05	36,389.22	34,303.38
Dec 18	2,000.00	1,830.10	1,942.90	1,830.15	36,554.99	34,426.29
Jan 19	1,960.00	1,889.50	1,964.40	1,895.00	36,701.03	35,375.51
Feb 19	1,995.50	1,895.70	2,010.00	1,898.30	37,172.18	35,287.16
Mar 19	2,050.00	1,884.20	2,097.70	1,889.40	38,748.54	35,926.94

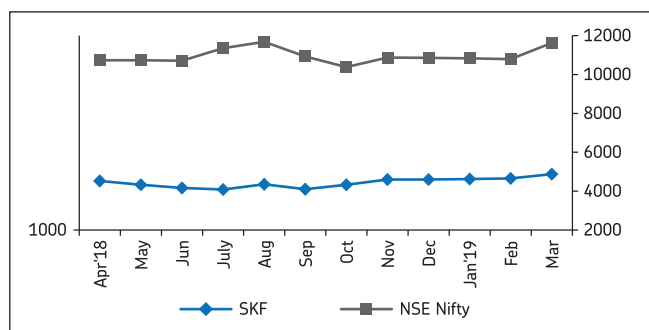
9.11 Performance in comparison with BSE SENSEX

Performance of the Company's Monthly Closing Share Price in comparison to the BSE SENSEX is given below:
Relative Performance of SKF India Ltd.



9.12 Performance in comparison with NSE NIFTY

Performance of the Company's Monthly Closing Share Price in comparison to the NSE NIFTY is given below:
Relative Performance of SKF India Ltd.



9.13 Share Transfer System

Presently, the share transfers received in physical form are processed and the share certificates are returned within a period of 15 days from the date of receipt, subject to the documents being valid and complete in all respects. As required under the Securities and Exchange Board of

India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a certificate on half yearly basis for transfer of equity shares and quarterly report on Reconciliation of Share Capital from a practicing Company Secretary has been submitted to Stock Exchanges within stipulated time.

Distribution of shareholding as on March 31, 2019

No. of Equity shares	No. of share-holders	% of share-holders	No. of shares	% of share-holding
1 to 500	21,497	91.46	1,812,855	3.67
501 to 1000	1,030	4.38	768,804	1.56
1001 to 2000	550	2.34	790,676	1.60
2001 to 3000	133	0.57	317,573	0.64
3001 to 4000	63	0.27	223,949	0.45
4001 to 5000	38	0.16	171,812	0.35
5001 to 10000	69	0.29	494,841	1.00
10001 and above	125	0.53	44,857,453	90.73
TOTAL	23,505	100.00	49,437,963	100.00

Category of shareholders	No. of share-holders	% of Voting strength	No. of shares held
Foreign Holding (FIIs, OCBs & NRIs)	740	8.50	4,203,424
FIIs, Insurance Companies & Banks	52	3.99	1,971,880
Other Corporate Bodies	477	4.58	2,263,506
Promoters	3	52.58	25,992,059
Directors	1	0	1,000
Mutual Funds	54	20.86	10,311,475
Others	22,178	9.49	4,694,619
Total	23,505	100.00	49,437,963

9.14 Top Ten Shareholders other than promoters

S.No.	Name of the Shareholder	Number of shares as on 01.04.2018	No of shares as on 31.03.2019	Net Changes	% of total paid up change in Share Capital
1.	HDFC Mutual Fund (*)	4,282,883	4,370,598	87,715	0.17
2.	Franklin Templeton Mutual Fund	2,839,351	1,572,438	-266,913	-2.40
3.	SBI Magnum Mutual Fund (*)	1,057,545	1,353,645	296,100	0.56
4.	UTI Mutual Fund (*)	1,095,698	1,049,411	-46,287	-0.09
5.	DSP Mutual Fund (*)	37,651	1,018,541	980,890	1.86
6.	First State Indian Subcontinent Fund	783,567	689,971	-93,596	-0.18
7.	The New India Assurance Company Limited	576,745	574,623	-2,122	0.00
8.	The Scottish Oriental Smaller Companies Trust plc	603,129	573,237	-29,892	-0.06
9.	Tata Aia Life Insurance Co Ltd (*)	615,501	517,521	-97,980	-0.19
10	Pi Opportunities Fund I	0	490,650	490,650	0.93

(*) various sub-accounts

9.15 GDRs/ ADRs etc:

There are no outstanding GDRs / ADRs / Warrants or any other convertible instruments which are likely to impact the equity capital of the Company.

Dedicated email id for investors: The Company has designated an exclusive email id for investors i.e. investors@skf.com to enable investors to submit their queries if any.

9.16 Dematerialization of Shares

The shares of the Company are in compulsory dematerialized segment and are available for trading system of both National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

All queries for shares held in physical form only should be forwarded to registrar & share transfer agents at the above mentioned address. For any assistance from the Company, members may contact Ms. Dilnavaz Gulestani, Deputy Manager - Legal & Secretarial at the registered office of the Company.

	No. of Shares	% of total capital issued
Held in dematerialized form in NSDL	48,082,584	97.26
Held in dematerialized form in CDSL	718,888	1.45
Physical	636,491	1.29
Total	49,437,963	100.00

10. Other Information for Shareholders

10.1 As required under the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978, the Company has transferred all unclaimed equity dividends up to the financial year 1996 to the General Revenue Account of the Central Government. Members who have so far not claimed or collected their dividend for the said financial year(s), may claim the same from the Registrar of Companies, Maharashtra by submitting an application in the prescribed form.

9.17 PLANT LOCATIONS

- Chinchwad, Taluka Haveli, Pune - 411 033,
- Plot 2, Bommasandra Industrial Area, Hosur Road, Bengaluru - 560 099,
- Plot No 2, Industrial Park II, Salempur- Mehdood, Haridwar - 249402

In terms of the provisions of Section 125 of the Companies Act, 1956 as amended the Company is obliged to Transfer Dividends which remain unpaid or unclaimed for a period of seven years (from the date of the transfer into the Unpaid Dividend Account) to the credit of the Investor Education and Protection Fund (the Fund) established by the Central Government. Accordingly, the Company has transferred unpaid/unclaimed dividend up to the financial year 2011 to the Fund and no claim shall lie against the Company or the Fund in respect of dividends remaining unclaimed or unpaid and transferred to the Fund. Members who have not yet en-cashed their dividend warrants for the years 2012 to 2018 may approach the Company for revalidation / issue of duplicate dividend warrants as the unpaid/unclaimed dividends for the aforesaid financial years are required

Address for correspondence**Company Secretary & Compliance Officer**

SKF India Limited
Mahatma Gandhi
Memorial Building
Netaji Subhash Road,
Charni Road,
Mumbai 400 002
Phone : +91 22 22857777
Fax : +91 22 22042738
E-mail :
investors@skf.com

Registrars and Share Transfer Agents:

TSR Darashaw Consultants
Pvt. Limited
6-10 Haji Moosa Patrawala
Industrial Estate,
20, Dr. E. Moses Road,
Mahalaxmi, Mumbai 400011
Tel. : + 91 22 66568484
Fax : + 91 22 66568496
E-mail :
csg-unit@tsrdarashaw.com

to be transferred to the Investor Education & Protection Fund (IEPF) constituted by the Central Government under Section 125 of the Companies Act, 2013 after seven years from the date of declaration.

Reminders to encash the unclaimed dividend on shares are sent to the relevant shareholders, the unpaid dividend list is also available on the website of the Company.

Details of unclaimed dividend

Year ending	As on 31.03.2019
2012	2,230,463
2013	2,336,940
2014	2,347,050
2014	2,388,488
2015	946,443
2016	4,747,755
2017	3,566,510
2018	2,533,344

10.2 Transfer of Shares into Investor Education and Protection Fund (where dividends remain unclaimed for consecutive seven years)

In terms of Section 125(6) of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government. As required under the said Rules, the Company has published a Notice in the newspapers inviting the Members attention to the aforesaid Rules. The Company has also sent out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the said Rules to take immediate action in the matter. Accordingly the Company has transferred the shares in respect of which dividends had remain unpaid for a period of seven consecutive year – i.e in respect of unpaid dividends till Year 2011.

10.3. “Go Green” Initiative:

As a continuing endeavor towards the “Go Green” Initiative, the Company is sending intimation of annual report/ dividends by e-mail/ ECS to those shareholders whose e-mail addresses/bank details were made available to the

Depositories or Share Transfer Agents. The physical copy was also made available for the un-delivered e-mail cases. Shareholders are requested to support this Green Initiative by providing e-mail addresses for receiving electronic communications.

11. Compliance under Non-Mandatory Requirement under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company complied with all the mandatory requirements and has adopted non-mandatory requirement as per details given below:

- (a) The Board – The Company does not maintain a separate office for the Non-Executive Chairman. However, the Company from time to time, reimburses the expenses in relation to the Chairman’s office in connection with performance of his duties as the Chairman of the Company.
- (b) Shareholders’ Rights: The quarterly and half yearly results are published in the newspaper, displayed on the website of the Company and are sent to the Stock Exchanges where the shares of the Company are listed. The half-yearly results are not separately circulated to the shareholders.
- (c) 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.
- (d) Separate posts of Chairman and CEO: The positions of the Chairman and Managing Director are separate.
- (e) Reporting of internal auditor: The internal Auditors of the Company report to the Audit Committee and make detailed presentation at quarterly meetings.
- (f) The Company has no subsidiary and hence there is no need to frame any policy for determining ‘material’ subsidiary.

For SKF India Limited

Bengaluru
May 15, 2019

Rakesh Makhija
Chairman

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

To the Members of
SKF India Limited

Sub: Compliance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and senior management and the same has been placed on the Company's website. All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct in respect of the financial year ended March 31, 2019.

Bengaluru
May 15, 2019

Manish Bhatnagar
Managing Director / CEO

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To the Members of
SKF India Limited

We have examined the compliance of conditions of Corporate Governance by **SKF India Limited**, for the year ended March 31, 2019 as stipulated in Regulations 17, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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 Price Waterhouse & Co Bangalore LLP
Firm Registration Number : 007567S/ S-200012
Chartered Accountants

Place: Bengaluru
Date: May 15, 2019

Jeetendra Mirchandani
Partner
Membership No:48125
UDIN:19048125AAAAAM3638

Corporate social responsibility report

ANNEXURE III – TO THE DIRECTOR'S REPORT

1. Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link of the CSR policy and projects or programs.

1.1 SKF India: CSR Policy, Vision and mission

SKF India Ltd (SKF) operates with the values of Empowerment, High Ethics, Openness and Teamwork. The Drivers at the core of its working are "Grow with Profit, Quality, Innovation, Simplicity & Speed, and Sustainability".

At SKF, it is not only important that we make profits but also the way we make them. In accordance with this philosophy, SKF has put in a "SKF Care" model guiding all our operations. The Model has 4 components, namely, "Business care", "Employee care", "Environment care" and "Community care".

SKF CSR programs and policies are based on SKF's "Community Care" principle embedded in the above philosophy which is structured in accordance with United Nations Global Compact principles and the Business Charter for Sustainable Development by International Chamber of Commerce.

The Vision: SKF India's vision guiding our entire community care program is
"To Create a positive change in the life of the communities neighboring our operations, and create a meaningful difference from the recipient's perspective"

The Mission: Based on the above vision, SKF community care program is initiated with a mission of working with

underprivileged communities neighboring our operations. Three focus areas are so far identified as under:

- Empowerment
 - Skill and vocational skill training for youth and livelihood programs
- Education
 - Holistic education of underprivileged children through sports and other innovative educational initiatives
 - Enabling girls from underprivileged sections for higher education programs through sponsoring and mentoring
- Environment
 - Programs for conservation of natural resources – water, solar energy and bio diversity through community initiatives

SKF India is running and monitoring the initiatives in the above areas through structured short and long-term programs, encouraging employees to volunteer and partner selected community care professionals and organizations to enhance the effectiveness of the program.

1.2 SKF India Community Care programs

In accordance with the vision and mission above, SKF has identified following areas and programs.

Program 1: Youth Empowerment at SKF – Skill Development program

Program 2: SKF Sports Education Program– SSEP

Program 3: SKF Girls scholarship program – UDAAN

Program 4: SKF Environmental Sustainability programs

Program 5: Other small support programs

1.2.1 Program 1: Youth Empowerment @ SKF – “YES”

Program Need: India is an emerging economy with a high manufacturing sector growth and still has a lot of potential to grow. India is also one of the youngest nations with over 65% of entire population below 25 year age group. The need of the hour is to provide adequate skills to the youth to empower them to become meaningfully “employable”, as well as entrepreneurs to meet the challenges and the requirements of the fast growing automotive industry.

Indian automobile industry has grown extensively over last decade, resulting in high demand for skilled garage mechanics. However, the present pool of untrained garage mechanics are generally school drop-outs who have learnt only the basic “on the job” skills informally. Thus, combining need of the population seeking employable skills for youth and the need of the industry for skilled services, SKF decided to launch a program for skilling the youth in the field of automobile maintenance.

Program Goal: To equip young boys and girls from community to become skilled automotive technicians across various locations in India with skills covering technical, entrepreneurial and lateral competencies like basic computer knowledge.

The Program details: “Youth empowerment at SKF (YES)” program aims at empowering under-privileged youth with the know-how of modern automobile maintenance and servicing skills to help them gain employment at automotive OEMs / automobile service stations or become entrepreneurs by setting up their own vehicle service stations.

The program started in 2015 has been expanded to run at Six locations in 2018 – two centers at Pune (Chinchwad & Kiwale), Bengaluru, Haridwar (Uttarakhand), Jorhat (Assam) and Ahmedabad in specially constructed centers well equipped with modern automotive sub systems and vehicles, learning fixtures, computer consoles for e-learning, class rooms and other facilities.

The beneficiaries are 18 to 25-year-old boys and girls, from the neighboring communities. The hostel facility and bus facility is available for candidates, who belong to low income families. All the program costs are fully sponsored by SKF. After successful completion of program, support for job or entrepreneurship is provided.

Program Approach: The 6-month and 3 month course contains a combination of theory and hands-on training on two and four-wheeler repairing and maintenance services. To help the students gain all round holistic development, the program includes sessions on communication skills, customer service, finance and business management skills as well.

The 1st center was established in 2015 at Pune in the premises of Don Bosco Private Industrial Training Institute in Chinchwad, followed by 2nd state of the art center become fully operational in Bengaluru from 1 st March 2016 at, Bommasandra Area, Bengaluru, Karnataka. The 3rd YES center started at Haridwar, Uttarakhand from 2017. Fourth center inaugurated at Symbiosis Skill & Open University at Kiwale, Pune in 2017. The 5th YES Skill Development Centre, at Kaziranga University, Jorhat, Assam was inaugurated in 2018. The 6th YES Skill Development center, has started at Ahmedabad in district Bavla.

This program also includes an Entrepreneur Development for the beneficiary which provides training and mentoring for new budding entrepreneur to starting their own automotive related startup. We are associated with NGO I-CREATE INDIA, who deliver entrepreneurship training and support of returnable MAGIC fund for students for setting up the startup. We have provided Magic fund to ten beneficiaries who has started his own startups in automotive.

Impact of the program:

Till date 1909 students has been enrolled, 1235 young beneficiaries have completed the courses. Out of which about 80% students have received jobs at various OEM's, multi brand garages, showrooms, authorized service stations. The program beneficiary participants are from 21 states of India. The participants who have completed the program are working at multibrand garages or started own startup in automotive. One beneficiary has received job aboard.

A third-party impact assessment was done of the program. The report quotes:

- The alumni of both are very happy with the training program and course has given them good theory and practical knowledge about automobile services and repairing
- The opportunity to take up job in their field of interest excites many.
- Being school dropouts and having no scope of access to formal technical education, YES training has given them employable skills that has helped to earn a livelihood and support their family
- The report also talks about very positive industrial and societal impacts.

1.2.2 Program 2: SKF Sports Education Program – “SSEP”

Program vision: SKF Sports Education program's vision is aligned with United Nations' Declaration of the Rights of the Child, which in Article 7 states, “The child shall have full opportunity to play and for recreation”.

Play is not only a child's inalienable right – it also influences physical, socio-emotional and cognitive development. For these reasons and the many reasons below, SKF continues to champion this right as fundamental to the health and growth of children in the surrounding communities where SKF operates.

SKF felt the need of providing importance to play in child's life and SKF Sports Education Program provides the perfect platform to these children by not only transforming these kids into better players but it holistically develops them into better human beings.

The Goal: The objective of the SKF Sports Education Program is to provide children from the underprivileged background an opportunity to both physical and mental growth and development through sports activities.

Program Approach: The SKF Sports Education Program is functional at two locations: Pune and Ahmedabad. Every year, a batch of 30 Boys and 30 girls are enrolled at each location for the 5 year SKF Sports Education Program.

SKF has provided a football ground and recreation area at Pune and Ahmedabad which are well equipped with infrastructure and certified coaches for systematic sports coaching to Boys and Girls from municipal schools. The entire program is completely sponsored by SKF India, the added facilities like – state-of-art Center with class rooms, activity hall, dressing rooms, and other facilities are attraction for the kids.

In 2017-18, linkage programs were added for the sustainability of the program. At Pune the program was introduced to 80 children consisting of 40 boys and 40 girls in five schools for under 8 age group. This program is a filler for the main academy of SKF.

Secondly, SKF Sports Scholarship Program was introduced for beneficiaries completing their graduation from the SKF academy. Last year a total of five scholarship were given to the beneficiaries.

This sponsored program takes care of their physical, behavioral, nutritional and other necessary requirements, which also includes daily breakfast and bus pickup and drop facility from home and school. We work with the beneficiaries to develop stamina and winning attitude for the sport. The program works on child development and apart from football training helps them in improving their academic performance, provides them career guidance from time to time.

Certified Coaches from the implementation partners: FC Pune City Football Club at Pune and Kahaani Sports Academy at Ahmedabad, provide world class football training to the community kids.

The program also brings an opportunity to play with external football teams, through participation in local, national and international tournaments. Every year, the best players from our academies are sent to Sweden, to represent SKF India at the World's largest Youth Football Tournament – Gothia Cup.

Impact of the program: A third party impact assessment is done to assess the impact of program being run since 2015. The regular students report, students and coach's feedback and parent meetings are used as source of inputs to understand the improvements through program

Following are improvements:

- "Hirabai Cowsji Jahangir medical research institute" at Pune has conducted baseline study of student for malnourishment, height weight, BMI, haemogram, bone density, based on baseline, systematic improvement plan was made and nutrient diet the program was implemented. The midline and endline study was conducted to understand the impact of the program on beneficiary. Improvement in above checked parameters in observed. This has helped their sports stamina.
- Through another agency which conducts "Winning attitude project" for the beneficiaries, we have conducted baseline study of beneficiaries of psychometric assessment, and beneficiary profiling done. Based on report special training and mentoring was provided to students. After endline study, it was observed that there is change in the attitude of beneficiaries. This has helped in winning various matches.

The impact assessment report highlights:

- The positive changes in the kids are visible: improvement in sporting skills, level of confidence, sportsmanship and performing under pressure are a few of them.
- Positive impact on health with balanced and structured nutritional support has resulted in visible changes in their growth, weight and fitness level.
- Improvement in personality, social behavior, enhanced attendance and academic performance are noticeable and appreciated by the schools.

1.2.3 Program 3: Women Empowerment "UDAAN" Scholarship for Girls

The Need: Education of girls from economically weaker sections in India is a matter of concern due to various factors that affect their opportunities and one of them is the lack of economic support after their schooling. The Government of India has also initiated national program – "Beti Bachao Beti Padhao" to achieve this objective. Further in certain underdeveloped and drought prone remote areas like Marathwada in Maharashtra, the daughters of farmers are deprived of post schooling education due to lack of disposable funds. Economic support for such needy girls to complete their higher education at opportune times can make their dreams come true and empower them in their life to stand on their own feet and contribute to the society. SKF conducted a need assessment in these regions and identified the need to launch a scholarship scheme which will support entire post matric education of these girls through a special scheme.

Program goal: To empower young girls with structured 100% educational support through scholarship programs. To make them capable of a meaningful career and employment opportunities.

Program Overview: At SKF, we believe that the empowerment of girls and women begins with quality education and access to information. SKF Initiated a full-fledged scholarship program to support the education of deserving girl students pursuing class XI and XII + professional courses post SSC. The girl inducted is supported 100% from grade 11th, till she completes her higher education. 100% support means tuition fees, books, educational material support, hostel fees and other support expenses for the girls moving to cities for education. SKF strives to contribute to the development and empowerment of women in India, and encourage more women to step into the professional education domain. SKF also imparts soft skills training and career counselling programs for the students. First batch of 40 girls from Marathwada in Maharashtra was awarded with SKF UDAAN Scholarship 2017-18. In 2018-19 we added 40 more girls. A total 80 scholarships were provided to girls.

Program Approach: The girls are selected from government aided schools through education department of that district. The outreach program was conducted with the help of print, social media and word of mouth publicity in all the districts. The application was made available to the beneficiaries online as well as off line. A printed copy of application is distributed through the local NGOs. The

selection is done after completion of three level screening such as merit, written test and career aspiration, and aptitude test and personal interview along with parents. Home visits are conducted and final names are declared. Disbursement of payment is done directly to the bank account of beneficiary and receipts were collected against it. Two residential training programs are conducted for beneficiaries.

The Implementation partner selected was GSP "Gramin Shamik Prathisthan", an NGO who managed the administration and disbursement process including progress tracking.

Impact of Project: The project has directly impacted 80 beneficiaries and their families. The importance of education for girls has increased and the girls are motivated to study hard to avail this scholarship.

1.2.4 Program 4 Ensuring Environmental Sustainability

Two programs were undertaken in year 2018 -19 under this category, at three locations: Pune, Bengaluru and Ahmednagar

1.2.4.1 Program 4.1: Water restoration and Tree Plantation project: Dam Desilting Project at Khadakwasala Dam Pune:

Program Overview: Environmental sustainability program by de-silting of Khadakwasala Lake at Pune, increase capacity of water withholding and tree plantation

The need: Khadakwasla Dam is very important for Pune being only source of drinking water. It is a balancing dam for the other three feeder dams in catchment area. The storage capacity of this dam has reduced approximately by 40% due to siltation rate This is due to deforestation in the catchment area. The top soil of that area has been washed off into the dam over the years This silt needs to be removed to increase the storage capacity of the dam.

The program: For environmental sustainability, NGO – Green Thumb has undertaken Catchment Area Treatment by dam de-silting project of removal soil from the dam, thereby increasing its capacity to withhold and store water, pitching of slit on the periphery of the lake, tree plantation, water saving, soil restoration and creation of biodiversity with recreational value.

The beneficiary of the programs is community alongside Mula and Mutha river, which uses water for domestic, agriculture and industrial purpose.

Program approach: As the water recedes in month of March, April, May, primitive methods are being adopted by using backhoe loaders, dozer, grader excavation and dumper truck and tipplers to remove the silt. The silt is then pitched and banded on the periphery of the lake, excess silt is distributed off free to locals & farmers to gain their goodwill and participation. Even Pune Municipal Public Gardens are supplied with this silt which is rich in nutrients.

Large scale tree (approx. 25000 trees) and grass plantation is carried out to avoid soil erosion.

The water bodies and the trees have become the resting, roosting and nesting sites for a wide varieties of resident and migratory birds.

The aim is to plant approx. 50 lakh trees in the stretch of land all along the 22 kms.

A proper landscaping to beautify the area is being undertaken. Fencing of the entire stretch is undertaken to protect the water from stray cattle's and people.

Impact of program: Water management and necessary engineering support is being implemented. Propagation of endemic flora including rare and endangered species by mostly planting indigenous trees and grasses.

Thus, to provide relief as a "green lung" amidst concrete jungle of Pune city, the area around the streams leading to the lake and the lake itself is being developed into biodiversity niche by careful propagation of endemic flora, by nurturing natural regeneration and scientific management entailing minimum human interface ever.

1.2.5 Program 4.2: Lake Rejuvenation and Tree Plantation project: at Mantapa Lake, Bengaluru:

The program: Access to clean water is vital for industrial operations and for the communities around us. SKF in India has teamed up with the NGO United Way Bengaluru to revitalize the Manatapa Lake in the south of Bengaluru to increase environmental sustainability.

The beneficiary of the programs is community alongside lake, who is using water for domestic and agriculture purpose.

Program approach:

This programme focuses on restoring water quality in the lake, removal of garbage, removal of effluents and other pollutants, enhancing soil quality and increasing

biodiversity around the lake. This is done by de-silting, removal of soil from the lake (thereby increasing its capacity to withhold and store water), pitching of slit on the surroundings of the lake, and planting trees. For environmental sustainability,

A proper landscaping to beautify the area is being undertaken. Fencing of the entire stretch is undertaken to protect the water from stray cattle's and people.

One unique element being introduced is a "Nature Learning Centre" (Parisara Kalika Mantapa), aimed at educating children and young adults on ecology and the importance of eco system services for businesses and community. It will be a 'mobile resource centre'. Nature experts will visit the lake on designated days and educate the children through picture books, nature walks and practical demonstrations.

Impact of program:

The expected impact the program are increased green cover sheltering birds, butterflies and other organisms, The aesthetic view of lake will be restored, The clean water shall enter the lake by reduction of toxic elements entry and thus reduction of bad odor in the lake. The clean water stored in the lake shall create biodiversity for aquatic flora and fauna to flourish. The water storage lead to increased farmi yeild.

1.2.5.1 "Program 4.3: Watershed Development Project at Akole Ahmednagar

Program overview and Need: The Agriculture and farmers in parts of Maharashtra face severe draught and lack of irrigation and water table going down affecting the crops time to time. The main objective of the project is promoting techniques Soil and water conservation, educate local farmers the techniques of treating the sloping areas of land to check the run off water and the soil therewith. The project is executed by an expert agency WOTR in Akole, near Ahmednagar, Maharashtra under global sponsorship of Rotary club Pune and Rotary International, supported by many corporates.

The Watershed project is implemented with a focus on building the capacity of small land holders, by addressing 3 key themes – integrated water resources management, sustainable agricultural and food Security in an integrated and holistic manner.

The goal of project: To stabilize and enhance the productive capacity of the local ecosystem, the agricultural and livelihood base of the project villages. To involve

mainstream women and marginal groups in the institutional life of the village, improve the quality of their lives and strengthen the capacities of village institutions to effectively and acceptably mandate the projects as well as access locally available resources.

The program: Rotary Club of Poona is implementing this project with focus on building the capacity of small holders, by addressing 3 key themes-

- Integrated water resources management,
- Sustainable agricultural,
- Food Security in an integrated and holistic manner.

Program approach: Undertaking soil conservation, water conservation and rainwater harvesting measures.

- Developing climate resilient strategies for agriculture and food security with inbuilt extension service system, that focus on integrated farming system approach where sustainable mixed crop and livestock production systems is encouraged.
- Improving the irrigation potential and coverage in project villages and well as enduring efficient and effective distribution and application of water.
- Organizing women in self-help groups centered on savings and credit operations, ensuring adequate representation on villages bodies and empowering them to effectively represents and to secure their personal, social and developmental interests.
- Organizing representative and inclusive villages development committees, building their capacity to implement and maintain the project, onsite and networking them into the local development framework. (govt. agencies, civil society and private enterprises etc.)

Impact of program sought: The project will be completed in December 2020, expected impact is to help to store water for 668 hectares' land, and positively impact a habitat of 3000 people.

1.2.4 Small program support for promotion of education

Based on specific proposals from different NGOs, SKF has supported few programs with limited support which are aimed at providing educational support to primary education. The programs supported are -

1.2.4.4 "Pratham" Project for school children at Assam

Program Overview and Need: India is close to universal enrollment for children in the age group 6 to 14. Recent figures for rural India indicate that 96.9% of children in this age group are enrolled in a nearby schools (ASER2016). Reaching universal enrollment in a country as big and

diverse as India is an impressive achievement. But now that children are in school, the critical question facing the country is "Are the children learning?"

Over ten years of data from ASER points to three key facts; First, at every grade level, basic learning levels are unacceptably low. Second, over time learning levels seem to have stagnated. If anything, there are some indications of a declining trend, implying that later cohorts are doing worse than earlier counterparts. Third - learning trajectories over time are relatively flat, which means that children do not acquire fundamental reading and arithmetic skills in primary school years and hence have a struggle to follow the curricula throughout the school years.

The goal: Main project objective is to ensure that 30,000 children have improved foundational learning in reading and arithmetic by 2020.

Specific Project Objectives

- I. Visibly and substantially improve basic learning among children in the targeted villages in Assam.
- II. Increase awareness of the value of education among parents and local people in the targeted villages in Assam.
- III. Influence government, through competence transfer to publish functions all the way from school teachers to officers at sub-districts, district, state and national level.

Program Approach: Based solution to bridge the gap between current and expected learning levels, using resources that are currently available in the system. NGO's CAML (Combined Activities for Maximized Learning) approach to teaching learning combines reading, speaking, doing and writing, in a variety of ways, to enhance and accelerate learning. Over the last decade, the effectiveness of Pratham's approach (also known as teaching at the right level or TaRL) has been evaluated by J-PAL at MIT using randomized control trials., which showed significant improvement of children's learning levels in the treatment group over their counterparts in the control areas.

Key elements of our approach include:

- Focus of children in Grades III, IV and V who have already had some schooling but do not have basic reading and arithmetic skills.
- Simple assessment of children's ability to read simple texts and to do basic arithmetic.
- Grouping of children by level (of learning) rather than by age or grade.

- Use of appropriate methods and materials for each group.
- Periodic review and tracking of children's progress.
- Pratham approaches the overall problem from two directions. The first approach is "direct" work, where Pratham team members lead teaching – learning activities (more information about this approach is presented below) The second approach is collaboration with the government regarding the development of the school system of a national level. Here Pratham acts as a "catalyst" by introducing, incorporating and integrating Pratham's teaching-learning and assessment methods and materials into government school teacher's work

The impact sought: The combination of direct intervention and partnerships with the government on teacher-led models, has led to a significant scale-up of the approach across Pratham's project areas. Through partnerships with the government, programs reached over 4.5 million children in 14 states across the country during the year. Established in 1995 to provide education to children. Pratham has grown both in scope and geographical coverage. The CSR Project is with the objective of improving the reading, writing and basic arithmetic skills of children in the 6-14 age group. The program has evolved over time in response to internal learnings and external evaluations. In the current phase of Read India, the objective is to ensure basic learning outcomes in language and mathematics. The geographical region of project is Assam.

SKF India has been participating in this global project along with many other corporates with a limited contribution for year 2017.

Other small projects supported by SKF during year 2018 are

- 1.2.5.2 Kerala Relief (Flood):** Support to Government of Kerala by donating the funds to Kerala Minister Distress Relief Fund for flood. As the natural calamities had stricken in the region with heavy loss to human life.
- 1.2.5.3 Akanksha Foundation** – Educating Municipal School Children – provide training infrastructure at SKF Campus for training of Municipal school teachers under their initiative.

1.2.5.4 Rotary club of Nigdi – Support to school sports kits to Municipal school in Pimpri Chinchwad, Pune.

1.2.5.5 Computer Shiksha – SKF India CSR, through NGO Computer-Shiksha, converted the replaced scrap laptops into useable laptops for schools belong to lower socio economic strata of the society, which has very less opportunity to learn computers. The video based multi language computer course is helping 3000+ student to learn computer in six months.

280+ used laptops, desktops are provided to Computer shiksha to distribute with eligible schools. These laptops were distributed to various schools in North India including Uttrakhand, Uttar Pradesh and Rajasthan, Delhi, CS team have created multi language computer course with videos and teachers help manuals. This helps to have standardized curriculum across India and students have learning with minimum efforts of trainers. The curriculum consist of MS Paint, MS Word, Excel, PPT, Internet and Email.

1.3 The Composition of the CSR Board Committee:

- Hema Hattangady, Independent Director and Chairperson CSR board committee (Till March 31, 2019)
- Rakesh Makhija, Chairman - SKF India Ltd.
- Carl Orstadius, Managing Director -SKF India till August 15, 2018
- Manish Bhatnagar, Managing Director -SKF India from August 16 2018 onwards

2 The average net profit of the Company for the last three financial years, computed in accordance with Sec 198 of the Companies Act, 2013 is 4084 MINR.

3 CSR Expenditure required to be spent as per Sec 135 of the companies Act, 2013 (two per cent of the amount as in item 2 above) – 82.00 MINR.

4 Details of CSR spent during the financial year:

All figures MINR:

- (a) Total amount spent during the financial year = 82.56 MINR
- (b) Amount unspent, if any – N A

(c) Way the amount spent during the financial year is detailed below:

S. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where project or programs was undertaken	Amount outlay (budget) project or programs-wise	Amount spent on the projects or programs sub-heads: (1) Direct expenditure on projects or programs (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent Direct or through implementing agency
1	Education	Sports Education program (SSEP)	1) Pune, Maharashtra.	8.31	8.31 (Direct)	8.31	7.40 (Dir) 0.91 (Imp Agency)
			2) Ahmedabad, Gujarat	5.42	5.42 (Direct)	5.42	2.44 (Dir) 2.98 (Imp agency)
2	Women Empowerment	Scholarship Program (UDAAN)	Marathwada districts, Maharashtra	8.38	8.38 (Direct)	8.38	0.67 (Dir) 7.71 (Imp agency)
3	Employment Enhancing Vocational Skills	Youth Empowerment @ SKF (YES)	1) Chinchwad, Pune, Maharashtra (DBVPK)	5.11	5.11 (Direct)	5.11	1.31 (Direct) 3.79 (Imp agency)
			2) Bengaluru, Karnataka Center	4.78	4.78 (Direct)	4.78	0.11 (Direct) 4.66 (Imp agency)
			3) Haridwar, Uttarakhand Centre	10.61	10.61 (Direct)	10.61	0.44 (Dir) 10.16 (Imp agency)
			4) Kiwale, Pune Maharashtra (SSOU) Center	5.87	5.87 (Direct)	5.87	0.47 (Dir) 5.39 (Imp agency)
			5) Jorhat, Assam Center	10.15	10.15 (Direct)	10.15	6.34 (Dir) 3.81 (Imp agency)
			6) Ahmedabad, Bavla Centre	3.46	3.46 (Direct)	3.46	3.46 (Dir)
4	Entrepreneur Development (I Create)	Livelihood Enhancement	1) Pune, Maharashtra	0.44	0.44 (Direct)	0.44	0.44 (Imp Agency)
5	Eco Impact Park	Ensuring Environmental Sustainability	Khadakwasla Dam, Desilting Pune	5.04	5.04 (Direct)	5.04	0.04 (Dir) 5.0 (Imp agency)
			Mantapa Lake rejuvenation, Bengaluru	3.97	3.97 (Direct)	3.97	0.009 (Dir) 3.96 (Imp agency)
6	Village Development	Rotary Club Poona	Watershed development Akola, Ahmednagar	2.0	2.0	2.0	2.0 (Imp agency)
		Kerala Distress Relief	CM Distress Minister Relief Fund	1.0	1.0	1.0	1.0 (Imp agency)
7	Promotion of Education	Rotary Club Nigdi	Pune	0.30	0.30	0.30	0.30 (Imp Agency)
		Pratham Foundation	North East	3.17	3.17	3.17	3.17 (Imp agency)
		Other Projects	Pune - Akanksha Foundation - CSR Good book	0.54	0.54	0.54	0.54 (Imp agency)
Total CSR Projects Expenses					78.56		78.56
8	CSR Admin cost (Overheads)	CSR Projects	CSR All location	4.0	4.0	4.0	4.0 (Direct)
	Total program spent MINR		82.56	82.56	82.56 (Direct)	82.56	28.24 (Direct) 54.32 (Imp agency)

5 Give details of implementing agency:

5.1 FC Pune City Football Club: Service provider for SKF Sports Education Program, Pune

Promoting football coaching with dedicated team of professional coaches to students of SKF Sports Education Program.

FC Pune City Football Club, is a company incorporated under the provisions of Companies act, 1956 having its office at Mumbai and Pune.

5.2 Kahaani Sports Academy: Service provider for SKF Sports Education Program, Ahmedabad

Promoting football coaching with dedicated team of professional coaches to students of SKF Sports Education Program.

Kahaani Football academy, Ahmedabad established in 2006 promotes football, fitness and sportsmanship through certified coaches.

5.3 Pragatee Foundation (Just for Kick) (NGO): Service provider for SKF Sports Education School Program, Pune is a Partner.

Pragatee Foundation, a public charitable trust having its registered office at Navi Mumbai - Maharashtra and working for football training at schools also referred as "Just for Kicks" or "JFK".

5.4 Gramin Shramik Pratisthan (NGO): Partner for women empowerment, Scholarship Program - UDAAN, Latur.

Since 1986, GSP focused on constructive integrated rural development program including watershed development, implementation of ideal village development program, integrated natural resource management program, women empowerment and poverty alleviation support program. The organization is registered under Societies and Public Trust Act.

5.5 Don Bosco Pune: Partner for YES project at Pune (NGO):

Don Bosco Vyavasayik Prashikshan Kendra, (DBVPK) caters to community youths from economically weaker sections. DBVPK presently conducts many non-formal teaching training courses, spread over a year.

DBVPK is a registered trust and has been taking keen interest in skill training as demanded by various industries, and is a member of Don Bosco Tech India. The Chinchwad center in Pune, Maharashtra is functional since August 15, 1999.

5.6 Sambhav Foundation (NGO): Partner for YES project at Bengaluru, Haridwar and Jorhat and Ahmedabad.

Sambhav Foundation is a non-governmental organization based in Bengaluru. It began largely as an effort to provide a one-stop platform for unorganized sector workers to obtain services which are currently available and accessible by formal sector workers. Sambhav Foundation is a charitable trust having registered office at Basaveshwar Nagar, Bengaluru - 560079.

5.7 Symbiosis Open Education Society: Partner for YES project at Pune.

Symbiosis Open Education Society, a registered under the societies registration in 2008, having its campus at Symbiosis Skills open university, Village - Kiwale, Adjoining Pune Mumbai Expressway Pune - 412101. SOES is a self-financed university offering courses at various levels including certificates, diploma and degree programs in high growth sectors with the aim of creating industry ready human resource. Symbiosis Open Education Society has established Skill Development University at Kiwale, Pune, with to create 'industry ready' youth who can be gainfully employed upon completion of their courses

5.8 North East Knowledge Foundation Kaziranaga, Jorhat (NGO): Partner for YES project at Assam.

North Eastern Knowledge Foundation, a registered trust, founded in the year 2012. The NEKF is having Assam Kaziranga University. SKF YES Center is based at Campus of Assam Kaziranga University Jorhat,

5.9 I Create India (NGO):

I Create is a non-profit organization working in India to help create entrepreneurs at the grassroots level of society, to convert job seekers to job creators. I Create India has its National Academy at Bengaluru, it provides various trainings to support for start a business with Returnable MAGIC fund management

5.10 Green Thumb (NGO): Partner for SKF ECO Impact Park at Pune, Ensuring Environmental Sustainability

Green Thumb is an NGO registered Public Trusts Act having office at Pune. Green thumb work for Dredging of Khadakwasla dam, soil conservation through catchment area treatment, increase green cover by trees plantation.

5.11 United Way of Bengaluru (NGO): Partner for SKF ECO Impact Park at Bengaluru, Ensuring Environmental Sustainability

UNITED WAY OF BENGALURU, a registered Society at Bengaluru, The non-profit organization engaged in Environment, Education, Livelihood and Health related social project. United way is having flagship program of wake the lake at Bengaluru.

5.12 Rotary Club of Poona(Trust): Project at Akola, Ahmednagar (Rotary club of Poona charity trust is a NGO registered trust act)

Working in water sanitation & hygiene, watershed management, breast cancer detection. Rotary Club of Poona is funding watershed Organization Trust (WOTR).

5.13 Pratham education foundation (NGO):

Pratham is an NGO working for improving the quality of education in India. As one of the largest non-governmental organizations in the country established in 1995, Pratham focuses on high-quality, low-cost, and replicable interventions to address gaps in the education system.

6 In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

Company has spend the two percent amount as per Company act.

7 A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby declare that implementation and monitoring of the CSR Policy are in compliance with CSR objectives and policy of the Company.

Manish Bhatnagar
Managing Director &
Chairman of CSR Committee

Bengaluru
May 15, 2019

Form no. AOC-2

ANNEXURE IV – TO THE DIRECTOR'S REPORT

[Pursuant to Section 134(3)(h) of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at Arm's length basis.
The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the previous financial year.
2. Details of material contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Aktiebolaget SKF and its Group Companies
b)	Nature of contracts/arrangements/transaction	Sale / Purchase of Goods, Services rendered, Commission earned, Purchase / Sale of equipment, Rental, Interest expense/ income, reimbursement of expenses
c)	Duration of the contracts/arrangements/transaction	Ongoing basis, normal and incidental to Company's business operations
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	The information forms part of the notes to financial statement for the year 2018-19
e)	Date of approval by the Board	All the transactions are approved by the Audit Committee and Board in line with the regulations and related party transactions policy framed by the Company. The approval of the members was taken in the previous shareholders meeting held on July 20, 2016 in case of 'Material' (SKF Asia Pacific Pte Ltd, Singapore) related party transactions for a period 2015-16 to 2017-18. The approval of the members was also taken in the previous shareholders meeting held on July 25, 2018 in case of 'Material' (SKF GmbH, Schweinfurt, Germany) related party transactions for a period 2017-18 to 2019-20.
f)	Amount paid as advances, if any	-

For and on behalf of the Board
SKF India Limited

Rakesh Makhija
Chairman
DIN:0117692

Bengaluru, May 15 2019

Secretarial audit report

For the Financial Year Ended March 31, 2019

ANNEXURE V – TO THE DIRECTOR'S REPORT

FORM No. MR-3

(Pursuant to Section 204 (1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To,
The Members,
SKF India Limited

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SKF India Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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')
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments from time to time;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period) and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

- (vi) Other laws applicable specifically to the Company namely:
- Factories Act, 1948
 - Contract Labour (Regulation & Abolition) Act, 1970
 - Industrial Laws
 - Environmental and Prevention of Pollution Laws
 - Legal Metrology Act, 2009

We have also examined compliance with the applicable clauses of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.
- The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, standards etc. mentioned above.

We 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 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 was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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 meeting.

Decisions at the Board Meetings were taken unanimously.

We 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.

We further report that during the audit period the following events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc:

- Buyback of not exceeding 1,900,000 (One Million and Nine Hundred Thousand only) fully paid up equity shares ₹10/- each, representing 3.70% of the total paid up equity capital of the Company as at March 31, 2018, on a proportionate basis, through the tender offer process at a price of ₹2,100/- per equity share.

For Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 15, 2019

P. N. Parikh
Partner
FCS No: 327
CP No: 1228

This Report is to be read with our letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'Annexure A'

To,
The Members
SKF India Limited

Our report of even date is to be read along with this letter.

- Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
- The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
- The Secretarial Audit 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 Parikh & Associates
Company Secretaries

Place: Mumbai
Date: May 15, 2019

P. N. Parikh
Partner
FCS No: 327 CP No: 1228

ANNEXURE VI – TO THE DIRECTOR'S REPORT

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; the percentage increase in remuneration of each Director

Name of Director	Designation	Ratio of remuneration of each director to the median remuneration	Percentage increase in remuneration (%)
R. Makhija	Non-Executive Chairman	2.63	11.13
M. Bhatnagar* (from 16.08.2018)	Managing Director	15.68	-
P. R. Menon	Independent Director	2.19	9.98
P M Telang	Independent Director	2.27	9.60
H. A. Hattangady	Independent Director	2.14	11.74
Carl Orstadius* (up to 15.05.2018)	Managing Director	12.52	-
B. Stephan	Non-Executive	N.A.	N.A.

*Appointed during the year

- (B) The percentage increase in remuneration of Chief Financial officer was 8% percent and Company Secretary was 11% percent.
- (C) The percentage increase in the median remuneration of employees for the financial year was 9.80%
- (D) The number of permanent employees on the rolls of company was 1759
- (E) **Relationship between average increase in remuneration and company performance;**
The profit after tax for the year increased by 13.48% as compared to an average increase in remuneration per employee of 10.61%. The increase in remuneration is linked to mainly the individual performance and partly also to

business performance through a variable compensation component

- (F) **Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:**
The compensation for the KMP is guided by the individual performance, and competitiveness with market compensation through bench marking surveys. The key performance parameters are considered for the variable component; the increase is in line with normal pay revisions and variable component forming integral part of remuneration which is linked to individual performance and company performance.
- (G) **Variation in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:**
The market capitalization as on March 31, 2019 was ₹99758.40.million (₹90006.03 million as on March 31, 2018). The price earnings ratio of the Company was 30.70 as at March 31, 2019 and was 30.60 as at March 31, 2018.
- (H) The average annual increase was around 10.12%. However, during the course of the year, the total increase is approximately 9.83%, after accounting for promotions and other event based compensation revisions. Increase in managerial remuneration for the year was 9.80%.
- (I) **Key parameters for any variable component of remuneration availed by the directors:**
The key parameters for the variable component for directors are as per the remuneration policy approved by the NRC and are within overall limit defined under the Companies Act, 2013.
- (J) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;**
No Employee has been paid salary in excess of any executive director of the Company.
- (K) We affirm that remuneration paid to the Employees & Directors is as per the Remuneration Policy of the Company.

For and on behalf of the Board
SKF India Limited

Bengaluru
May 15, 2019

Rakesh Makhija
Chairman
DIN:117692

ANNEXURE VII - TO THE DIRECTOR'S REPORT

EXTRACT OF ANNUAL RETURN - FORM NO. MGT 9

As on Financial Year ended on March 31, 2019

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I Registration and other Details

(i)	CIN	L29130MH1961PLC011980
(ii)	Registration Date	April 12, 1961
(iii)	Name of the Company	SKF India Limited
(iv)	Category /Sub-Category of the Company	Public Company / Limited by Shares
(v)	Address of the Registered office and Contact Details	Mahatama Gandhi Memorial Building, Netaji Subash Road, Mumbai - 400002 Tel No. +91 22 22857777 Fax No. +91 22 22819074 Email: investors@skf.com
(vi)	Whether Listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agents, if any.	TSR Darashaw Consultants Pvt Limited 6-10 Haji Moosa Patrawala Industrial Estate, 20, Dr. E. Moses Road, Mahalaxmi, Mumbai - 400002 Tel No. +91 22 66568484 Fax No. +91 22 66568494 Email: csg_unit@tsrdarashaw.com

II Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the Company shall be stated -

S. No.	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Bearing and its Components	2814	98%

III Particulars of Holding, Subsidiary and Associate Companies

S. No.	Name And Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	AB SKF Aktiebolaget SKF, SE 415, 50 Goteborg, Sweden	NA	HOLDING	45.85	2(46)
2	SKF U.K. Ltd. SKF (U.K) Ltd. Sundon Park Road, Luton Lu3 3BL, England	NA	SUBSIDIARY	6.33	2(46)
3	SKF FORVALTNING AB 415 50 Goteborg, Sweden	NA	SUBSIDIARY	0.40	2(46)

(I) Category-wise Share Holding

Category code (I)	Category of Shareholder (II)	Number of shares held at the beginning of the year April 1, 2018				Number of shares held at the end of the year March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(A)	Promoters									
(1)	Indian									
(a)	Individuals / Hindu Undivided Family	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	- Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (1)	0	0	0	0.00	0	0	0	0.00	0.00
(2)	Foreign									
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	26,860,968	0	26,860,968	52.32	25,992,059	0	25,992,059	52.58	0.26
(d)	Banks / Financial Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (A) (2)	26,860,968	0	26,860,968	52.32	25,992,059	0	25,992,059	52.58	0.26
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	26,860,968	0	26,860,968	52.32	25,992,059	0	25,992,059	52.58	0.26
(B)	Public Shareholding									
(1)	Institutions									
(a)	Mutual Funds	10,419,335	290	10,419,625	20.30	10,311,185	290	10,311,475	20.86	0.56
(b)	Banks / Financial Institutions	18,933	18,620	37,553	0.07	18,509	18,620	37,129	0.08	0.00
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(d)	State Governments(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Insurance Companies	2,074,543	240	2,074,783	4.04	1,934,511	240	1,934,751	3.91	-0.13
(g)	Foreign Institutional Investors	4,949,102	0	4,949,102	9.64	3,927,754	0	3,927,754	7.94	-1.70
(h)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Other (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	- OCBs / Foreign Companies	0	4,350	4,350	0.01	0	4,300	4,300	0.01	0.00
	Sub-Total (B) (1)	17,461,913	23,500	17,485,413	34.06	16,191,959	23,450	16,215,409	32.80	-1.26

Category code (I)	Category of Shareholder (II)	Number of shares held at the beginning of the year April 1, 2018				Number of shares held at the end of the year March 31, 2019				% Change during the year
		Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(2)	Non-Institutions									
(a)	Bodies Corporate									
i	Indian	1,697,217	8,076	1,705,293	3.32	1,723,085	8,076	1,731,161	3.50	0.18
ii	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals -									
i	Individual shareholders holding nominal share capital upto ₹1 lakh	3,742,639	683,357	4,425,996	8.62	3,542,988	604,965	4,147,953	8.39	-0.23
ii	Individual shareholders holding nominal share capital in excess of ₹1 lakh	671,975	0	671,975	1.31	633,057	0	633,057	1.28	-0.03
(c)	Any Other (Specify)									
	- Trust	830	0	830	0.00	730	0	730	0.00	0.00
	- Bodies Corp - NBFC	1,876	0	1,876	0.00	2,377	0	2,377	0.00	0.00
	IEPF A/C	175,790	0	175,790	0.34	185,979	0	185,979	0.38	0.03
	Alternate Invest Fund	9,822	0	9,822	0.02	529,238	0	529,238	1.07	1.05
	Sub-total (B) (2)	6,300,149	691,433	6,991,582	13.62	6,617,454	613,041	7,230,495	14.63	1.01
	Total Public Shareholding (B) = (B)(1)+(B)(2)	23,762,062	714,933	24,476,995	47.68	22,809,413	636,491	23,445,904	47.42	-0.26
	TOTAL (A)+(B)	50,623,030	714,933	51,337,963	100.00	48,801,472	636,491	49,437,963	100.00	0.00
(C)	Shares held by Custodians for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	GRAND TOTAL (A)+(B)+(C)	50,623,030	714,933	51,337,963	100.00	48,801,472	636,491	49,437,963	100.00	0.00

(II) Shareholding of Promoters

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year April 1, 2018			Shareholding at the end of the year March 31, 2019			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	AB SKF	23,423,776	45.63	0.00	22,666,055	45.85	0.00	0.22
2	SKF U.K.Ltd.	3,234,203	6.30	0.00	3,129,581	6.33	0.00	0.03
3	SKF FORVALTNING AB	202,989	0.39	0.00	196,423	0.40	0.00	0.01
	TOTAL	26,860,968	52.32	0.00	25,992,059	52.58	0.00	0.26

(III) Change in promoters' shareholding (please specify, if there is no change)

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.1	AB SKF	01-Apr-2018	At the beginning of the year	23,423,776	45.63	23,423,776	45.63
1.1		15-Feb-2019	Buyback	-757,721	-1.53	22,666,055	45.85
1.1		31-Mar-2019	At the end of the year		0	0.00	22,666,055
1			Total :	23,423,776	45.63	22,666,055	45.85
2.1	SKF U.K. Ltd.	01-Apr-2018	At the beginning of the year	3,234,203	6.30	3,234,203	6.30
2.1		15-Feb-2019	Buyback	-104,622	-0.21	3,129,581	6.33
2.1		31-Mar-2019	At the end of the year		0	0.00	3,129,581
2			Total :	3,234,203	6.30	3,129,581	6.33
3.1	SKF Forvaltning AB	01-Apr-2018	At the beginning of the year	202,989	0.39	202,989	0.39
3.1		15-Feb-2019	Buyback	-6,566	-0.01	196,423	0.40
3.1		31-Mar-2019	At the end of the year		0	0.00	196,423
3			Total :	202,989	0.39	196,423	0.40

(IV) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs) :

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.1	HDFC Small Cap Fund	01-Apr-2018	At the beginning of the year	511,600	1.03	511,600	1.03
1.1		06-Apr-2018	Increase	50,000	0.10	561,600	1.14
1.1		13-Apr-2018	Increase	37,200	0.08	598,800	1.21
1.1		25-May-2018	Increase	50,000	0.10	648,800	1.31
1.1		15-Jun-2018	Increase	50,000	0.10	698,800	1.41
1.1		27-Jul-2018	Increase	5,000	0.01	703,800	1.42
1.1		03-Aug-2018	Increase	2,968	0.01	706,768	1.43
1.1		15-Feb-2019	Buyback	-48,414	-0.10	658,354	1.33
1.1		15-Mar-2019	Increase	68,926	0.14	727,280	1.47
1.1		31-Mar-2019	At the end of the year		0	0.00	727,280
1.2	HDFC Trustee Company Limited A/C HDFC Balanced Fund	01-Apr-2018	At the beginning of the year	1,534,518	3.10	1,534,518	3.10
1.2		11-May-2018	Increase	40,000	0.08	1,574,518	3.18
1.2		25-May-2018	Increase	50,000	0.10	1,624,518	3.29
1.2		08-Jun-2018	Decrease	-1,624,518	-3.29	0	0.00
1.2		31-Mar-2019	At the end of the year		0	0.00	0

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
1.3	HDFC Trustee Company Ltd A/C - HDFC Children's Gift Fund - Investment Plan	01-Apr-2018	At the beginning of the year	86,035	0.17	86,035	0.17
1.3		06-Apr-2018	Increase	50,000	0.10	136,035	0.28
1.3		15-Feb-2019	Buyback	-9,323	-0.02	126,712	0.26
1.3		31-Mar-2019	At the end of the year	0	0.00	126,712	0.26
1.4	HDFC Trustee Company Ltd - HDFC Long Term Advantage Fund	01-Apr-2018	At the beginning of the year	50,000	0.10	50,000	0.10
1.4		14-Dec-2018	Increase	50,000	0.10	50,000	0.10
1.4		15-Feb-2019	Buyback	-3,427	-0.01	46,573	0.09
1.4		31-Mar-2019	At the end of the year	0	0.00	46,573	0.09
1.5	HDFC Trustee Company Ltd - A/C HDFC Hybrid Equity Fund	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
1.5		08-Jun-2018	Increase	1,624,518	3.29	1,624,518	3.29
1.5		15-Feb-2019	Buyback	-111,328	-0.23	1,513,190	3.06
1.5		31-Mar-2019	At the end of the year	0	0.00	1,513,190	3.06
1.6	HDFC Trustee Company Ltd - A/C HDFC Mid - Capopportunities Fund	01-Apr-2018	At the beginning of the year	2,067,835	4.18	2,067,835	4.18
1.6		15-Feb-2019	Buyback	-141,661	-0.29	1,926,174	3.90
1.6		31-Mar-2019	At the end of the year	0	0.00	1,926,174	3.90
1.7	HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Hybrid-Equity Plan	01-Apr-2018	At the beginning of the year	7,500	0.02	7,500	0.02
1.7		15-Feb-2019	Buyback	-494	0.00	7,006	0.01
1.7		31-Mar-2019	At the end of the year	0	0.00	7,006	0.01
1.8	HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Hybrid-Debt Plan	01-Apr-2018	At the beginning of the year	1,300	0.00	1,300	0.00
1.8		15-Feb-2019	Buyback	-85	0.00	1,215	0.00
1.8		31-Mar-2019	At the end of the year	0	0.00	1,215	0.00
1.9	HDFC Trustee Co Ltd A/C HDFC Retirement Savings Fund-Equity Plan	01-Apr-2018	At the beginning of the year	24,095	0.05	24,095	0.05
1.9		15-Feb-2019	Buyback	-1,647	0.00	22,448	0.05
1.9		31-Mar-2019	At the end of the year	0	0.00	22,448	0.05
1	Total :			4,282,883	8.66	4,370,598	8.84
2.1	Franklin Templeton Mutual Fund A/C Franklin India Taxshield	01-Apr-2018	At the beginning of the year	163,295	0.33	163,295	0.33
2.1		15-Feb-2019	Buyback	-55,217	-0.11	108,078	0.22
2.1		31-Mar-2019	At the end of the year	0	0.00	108,078	0.22
2.2	Franklin Templeton Mutual Fund A/C Franklin India Prima Fund	01-Apr-2018	At the beginning of the year	842,719	1.70	842,719	1.70
2.2		22-Jun-2018	Increase	13,003	0.03	855,722	1.73
2.2		29-Jun-2018	Increase	5,485	0.01	861,207	1.74
2.2		15-Feb-2019	Buyback	-27,518	-0.06	833,689	1.69
2.2		31-Mar-2019	At the end of the year	0	0.00	833,689	1.69

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
2.3	Franklin Templeton Mutual Fund A/C Franklin India Equity Fund	01-Apr-2018	At the beginning of the year	640,000	1.29	640,000	1.29
2.3		08-Jun-2018	Decrease	-880	0.00	639,120	1.29
2.3		15-Jun-2018	Decrease	-17,888	-0.04	621,232	1.26
2.3		22-Jun-2018	Decrease	-340	0.00	620,892	1.26
2.3		29-Jun-2018	Decrease	-892	0.00	620,000	1.25
2.3		17-Aug-2018	Increase	22,224	0.04	642,224	1.30
2.3		24-Aug-2018	Increase	22,313	0.05	664,537	1.34
2.3		31-Aug-2018	Increase	35,463	0.07	700,000	1.42
2.3		15-Feb-2019	Buyback	-22,367	-0.05	677,633	1.37
2.3		22-Feb-2019	Decrease	-27,633	-0.06	650,000	1.31
2.3		01-Mar-2019	Decrease	-71,000	-0.14	579,000	1.17
2.3		08-Mar-2019	Decrease	-161,899	-0.33	417,101	0.84
2.3		15-Mar-2019	Decrease	-17,101	-0.03	400,000	0.81
2.3		22-Mar-2019	Decrease	-50,000	-0.10	350,000	0.71
2.3		31-Mar-2019	At the end of the year	0	0.00	350,000	0.71
2.4	Franklin Templeton Mutual Fund A/C Franklin India Equity Advantage Fund	01-Apr-2018	At the beginning of the year	251,012	0.51	251,012	0.51
2.4		11-May-2018	Decrease	-5,000	-0.01	246,012	0.50
2.4		25-May-2018	Decrease	-100,000	-0.20	146,012	0.30
2.4		28-Sep-2018	Decrease	-22,200	-0.04	123,812	0.25
2.4		12-Oct-2018	Decrease	-17,951	-0.04	105,861	0.21
2.4		19-Oct-2018	Decrease	-48,752	-0.10	57,109	0.12
2.4		26-Oct-2018	Decrease	-29,030	-0.06	28,079	0.06
2.4		02-Nov-2018	Decrease	-2,183	0.00	25,896	0.05
2.4		09-Nov-2018	Decrease	-22,701	-0.05	3,195	0.01
2.4		16-Nov-2018	Decrease	-3,195	-0.01	0	0.00
2.4		31-Mar-2019	At the end of the year	0	0.00	0	0.00
2.5	Franklin India Smaller Companies Fund	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
2.5		27-Jul-2018	Increase	107,091	0.22	107,091	0.22
2.5		03-Aug-2018	Increase	58,495	0.12	165,586	0.33
2.5		10-Aug-2018	Increase	40,459	0.08	206,045	0.42
2.5		17-Aug-2018	Increase	63,890	0.13	269,935	0.55
2.5		12-Oct-2018	Increase	20,000	0.04	289,935	0.59
2.5		15-Feb-2019	Buyback	-9,264	-0.02	280,671	0.57
2.5		31-Mar-2019	At the end of the year	0	0.00	280,671	0.57

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				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
2.6	Franklin Templeton Mutual Fund A/C Franklin India Focused Equity Fund	01-Apr-2018	At the beginning of the year	820,000	1.66	820,000	1.66
2.6		27-Jul-2018	Increase	61,141	0.12	881,141	1.78
2.6		03-Aug-2018	Increase	3,354	0.01	884,495	1.79
2.6		31-Aug-2018	Increase	505	0.00	885,000	1.79
2.6		21-Dec-2018	Decrease	-381,341	-0.77	23,515	0.05
2.6		28-Dec-2018	Decrease	-23,515	-0.05	0	0.00
2.6		31-Mar-2019	At the end of the year	0	0.00	0	0.00
2.7	Franklin Templeton Mutual Fund A/C Franklin Build India Fund (FBIF)	01-Apr-2018	At the beginning of the year	122,325	0.25	122,325	0.25
2.7		27-Jul-2018	Increase	2,675	0.01	125,000	0.25
2.7		11-Jan-2019	Decrease	-50,000	-0.10	75,000	0.15
2.7		15-Feb-2019	Buyback	-53,994	-0.11	21,006	0.04
2.7		22-Feb-2019	Decrease	-21,006	-0.04	0	0.00
2.7		31-Mar-2019	At the end of the year	0	0.00	0	0.00
2	Total :			2,839,351	5.74	1,572,438	3.18
3.1	SBI Magnum Global Fund	01-Apr-2018	At the beginning of the year	410,000	0.83	410,000	0.83
3.1		15-Feb-2019	Buyback	146,483	0.30	556,483	1.13
3.1		22-Feb-2019	Increase	47,517	0.10	604,000	1.22
3.1		15-Mar-2019	Increase	82,100	0.17	686,100	1.39
3.1		31-Mar-2019	At the end of the year	0	0.00	686,100	1.39
3.2	SBI Magnum Midcap Fund	01-Apr-2018	At the beginning of the year	326,198	0.66	326,198	0.66
3.2		31-Mar-2019	At the end of the year	0	0.00	326,198	0.66
3.3	SBI Blue Chip Fund	01-Apr-2018	At the beginning of the year	321,347	0.65	321,347	0.65
3.3		31-Mar-2019	At the end of the year	0	0.00	321,347	0.65
3.4	SBI Long Term Advantage Fund - Series VI	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
3.4		23-Nov-2018	Increase	1,562	0.00	1,562	0.00
3.4		30-Nov-2018	Increase	11,938	0.02	13,500	0.03
3.4		15-Feb-2019	Buyback	-431	0.00	13,069	0.03
3.4		29-Mar-2019	Increase	6,931	0.01	20,000	0.04
3.4		31-Mar-2019	At the end of the year	0	0.00	20,000	0.04
3	Total :			1,057,545	2.14	1,353,645	2.74
4.1	UTI-MNC Fund	01-Apr-2018	At the beginning of the year	230,498	0.47	230,498	0.47
4.1		28-Sep-2018	Increase	3,502	0.01	234,000	0.47
4.1		15-Feb-2019	Buyback	-7,596	-0.02	226,404	0.46
4.1		31-Mar-2019	At the end of the year	0	0.00	226,404	0.46

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
4.2	UTI-Mastershare Unit Scheme	01-Apr-2018	At the beginning of the year	665,200	1.35	665,200	1.35
4.2		13-Apr-2018	Decrease	-1,000	0.00	664,200	1.34
4.2		20-Apr-2018	Decrease	-225	0.00	663,975	1.34
4.2		15-Feb-2019	Buyback	-21,668	-0.04	642,307	1.30
4.2		15-Mar-2019	Decrease	-1,300	0.00	641,007	1.30
4.2		31-Mar-2019	At the end of the year	0	0.00	641,007	1.30
4.3	UTI-Master Equity Plan Unit Scheme	01-Apr-2018	At the beginning of the year	100,000	0.20	100,000	0.20
4.3		15-Feb-2019	Buyback	-3,336	-0.01	96,664	0.20
4.3		15-Mar-2019	Decrease	-5,664	-0.01	91,000	0.18
4.3		31-Mar-2019	At the end of the year	0	0.00	91,000	0.18
4.4	UTI- Infrastructure Fund	01-Apr-2018	At the beginning of the year	100,000	0.20	100,000	0.20
4.4		15-Feb-2019	Buyback	-3,336	-0.01	96,664	0.20
4.4		15-Mar-2019	Decrease	-5,664	-0.01	91,000	0.18
4.4		31-Mar-2019	At the end of the year	0	0.00	91,000	0.18
4	Total :			1,095,698	2.22	1,049,411	2.12
5.1	DSP Equity & Bond Fund	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
5.1		28-Dec-2018	Increase	8,305	0.02	8,305	0.02
5.1		31-Dec-2018	Increase	3	0.00	8,308	0.02
5.1		04-Jan-2019	Increase	1,246	0.00	9,554	0.02
5.1		11-Jan-2019	Increase	45,292	0.09	54,846	0.11
5.1		18-Jan-2019	Increase	98,381	0.20	153,227	0.31
5.1		25-Jan-2019	Increase	26,311	0.05	179,538	0.36
5.1		01-Feb-2019	Increase	18,231	0.04	197,769	0.40
5.1		08-Feb-2019	Increase	18	0.00	197,787	0.40
5.1		22-Mar-2019	Increase	10,386	0.02	208,173	0.42
5.1		29-Mar-2019	Increase	12,708	0.03	220,881	0.45
5.1		31-Mar-2019	At the end of the year	0	0.00	220,881	0.45
5.2		DSP Equity Fund	01-Apr-2018	At the beginning of the year	0	0.00	0
5.2	21-Dec-2018		Increase	64,402	0.13	64,402	0.13
5.2	28-Dec-2018		Increase	6,574	0.01	70,976	0.14
5.2	31-Dec-2018		Increase	19	0.00	70,995	0.14
5.2	04-Jan-2019		Increase	970	0.00	71,965	0.15
5.2	11-Jan-2019		Increase	9,538	0.02	81,503	0.16

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
5.2		18-Jan-2019	Increase	66,214	0.13	147,717	0.30
5.2		15-Feb-2019	Buyback	-2,057	0.00	145,660	0.29
5.2		22-Mar-2019	Increase	4,258	0.01	149,918	0.30
5.2		29-Mar-2019	Increase	5,210	0.01	155,128	0.31
5.2		31-Mar-2019	At the end of the year	0	0.00	155,128	0.31
5.3	DSP Equity Opportunities Fund	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
5.3		21-Dec-2018	Increase	141,269	0.29	141,269	0.29
5.3		28-Dec-2018	Increase	14,438	0.03	155,707	0.31
5.3		11-Jan-2019	Increase	53,495	0.11	209,202	0.42
5.3		18-Jan-2019	Increase	115,736	0.23	324,938	0.66
5.3		15-Feb-2019	Buyback	-5,925	-0.01	319,013	0.65
5.3		29-Mar-2019	Increase	907	0.00	319,920	0.65
5.3		31-Mar-2019	At the end of the year	0	0.00	319,920	0.65
5.4		DSP Tax Saver Fund	01-Apr-2018	At the beginning of the year	0	0.00	0
5.4	21-Dec-2018		Increase	117,252	0.24	117,252	0.24
5.4	28-Dec-2018		Increase	11,988	0.02	129,240	0.26
5.4	11-Jan-2019		Increase	32,427	0.07	161,667	0.33
5.4	18-Jan-2019		Increase	96,989	0.20	258,656	0.52
5.4	15-Feb-2019		Buyback	-4,918	-0.01	253,738	0.51
5.4	29-Mar-2019		Increase	1,632	0.00	255,370	0.52
5.4	31-Mar-2019		At the end of the year	0	0.00	255,370	0.52
5.5	DSP India T.I.G.E.R. Fund	01-Apr-2018	At the beginning of the year	37,651	0.08	37,651	0.08
5.5		21-Dec-2018	Increase	12,237	0.02	49,888	0.10
5.5		11-Jan-2019	Increase	6,918	0.01	56,806	0.11
5.5		18-Jan-2019	Increase	12,528	0.03	69,334	0.14
5.5		15-Feb-2019	Buyback	-2,092	0.00	67,242	0.14
5.5		31-Mar-2019	At the end of the year	0	0.00	67,242	0.14
5	Total :			37,651	0.08	1,018,541	2.06
6.1	First State Indian Subcontinent Fund	01-Apr-2018	At the beginning of the year	783,567	1.58	783,567	1.58
6.1		27-Jul-2018	Increase	26,561	0.05	810,128	1.64
6.1		11-Jan-2019	Decrease	-84,152	-0.17	725,976	1.47
6.1		15-Feb-2019	Buyback	-36,005	-0.07	689,971	1.40
6.1		31-Mar-2019	At the end of the year	0	0.00	689,971	1.40
6	Total :			783,567	1.58	689,971	1.40

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cumulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
7.1	The New India Assurance Company Limited	01-Apr-2018	At the beginning of the year	576,745	1.17	576,745	1.17
7.1		09-Nov-2018	Increase	7,500	0.02	584,245	1.18
7.1		16-Nov-2018	Increase	9,344	0.02	593,589	1.20
7.1		15-Feb-2019	Buyback	-18,966	-0.04	574,623	1.16
7.1		31-Mar-2019	At the end of the year	0	0.00	574,623	1.16
7	Total :			576,745	1.17	574,623	1.16
8.1	The Scottish Oriental Smaller Companies Trust plc	01-Apr-2018	At the beginning of the year	603,129	1.22	603,129	1.22
8.1		27-Jul-2018	Increase	20,768	0.04	623,897	1.26
8.1		11-Jan-2019	Decrease	-22,932	-0.05	600,965	1.22
8.1		15-Feb-2019	Buyback	-27,728	-0.06	573,237	1.16
8.1		31-Mar-2019	At the end of the year	0	0.00	573,237	1.16
8	Total :			603,129	1.22	573,237	1.16
9	Tata Aia Life Insurance Co Limited-Life Fund	01-Apr-2018	At the beginning of the year	4,990	0.01	4,990	0.01
9.1		12-Oct-2018	Decrease	-1,150	0.00	3,840	0.01
9.1		28-Dec-2018	Decrease	-3,840	-0.01	0	0.00
9.1		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.2	Tata Aia Life Insurance Co Ltd- Life Equity Fund-Ulif 001 04/02/04 TEL 110	01-Apr-2018	At the beginning of the year	100,000	0.20	100,000	0.20
9.2		31-Mar-2019	At the end of the year	0	0.00	100,000	0.20
9.3	Tata Aia Life Insurance Co Ltd-Pension Equity Fund-Ulfg 001 02/03/04 E1 110	01-Apr-2018	At the beginning of the year	5,000	0.01	5,000	0.01
9.3		31-Mar-2019	At the end of the year	0	0.00	5,000	0.01
9.4	Tata Aia Life Insurance Co Ltd-Aggressive Growth Fund-Ulif 006 01/07/06 TAL 110	01-Apr-2018	At the beginning of the year	7,000	0.01	7,000	0.01
9.4		26-Oct-2018	Decrease	-7,000	-0.01	0	0.00
9.4		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.5	Tata Aia Life Insurance Co Ltd-Whole Life Mid Cap Equity Fund-Ulif 009 04/01/07 WLE 110	01-Apr-2018	At the beginning of the year	220,000	0.45	220,000	0.45
9.5		31-Mar-2019	At the end of the year	0	0.00	220,000	0.45
9.6	Tata Aia Life Insurance Co Ltd-Whole Life Aggressive Growth Fund-Ulif 010 04/01/07 WLA 110	01-Apr-2018	At the beginning of the year	15,000	0.03	15,000	0.03
9.6		27-Jul-2018	Decrease	-15,000	-0.03	0	0.00
9.6		31-Mar-2019	At the end of the year	0	0.00	0	0.00

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
	Tata Aia Life Insurance Co Ltd-Life Whole Life Stable Growth Fund-Ulif 011 04/01/07 WLS 110	01-Apr-2018	At the beginning of the year	2,000	0.00	2,000	0.00
		27-Jul-2018	Decrease	-2,000	0.00	0	0.00
		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.7	Tata Aia Life Insurance Co Ltd-Large Cap Equity Fund-Ulif 017 07/01/08 TLC 110	01-Apr-2018	At the beginning of the year	55,000	0.11	55,000	0.11
9.7		26-Oct-2018	Decrease	-9,236	-0.02	45,764	0.09
9.7		31-Mar-2019	At the end of the year	0	0.00	45,764	0.09
9.8	Tata Aia Life Insurance Co Ltd-Future Equity Pension Fund-Ulif 020 04/02/08 FEP 110	01-Apr-2018	At the beginning of the year	10,000	0.02	10,000	0.02
9.8		27-Jul-2018	Decrease	-10,000	-0.02	0	0.00
9.8		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.9	Tata Aia Life Insurance Co Ltd-Select Equity Fund-Ulif 024 06/10/08 TSE 110	01-Apr-2018	At the beginning of the year	5,808	0.01	5,808	0.01
9.9		31-Mar-2019	At the end of the year	0	0.00	5,808	0.01
9.10	Tata Aia Life Insurance Co Ltd-Future Select Equity Fund-Ulif 023 06/10/08 FSE 110	01-Apr-2018	At the beginning of the year	675	0.00	675	0.00
9.10		31-Mar-2019	At the end of the year	0	0.00	675	0.00
9.11	Tata Aia Life Insurance Co Ltd-Top 200 Fund-Ulif 027 12/01/09 ITT 110	01-Apr-2018	At the beginning of the year	15,000	0.03	15,000	0.03
9.11		27-Jul-2018	Decrease	-15,000	-0.03	0	0.00
9.11		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.12	Tata Aia Life Insurance Co Ltd-Infrastructure Fund-Ulif 034 16/10/09 TIS 110	01-Apr-2018	At the beginning of the year	5,000	0.01	5,000	0.01
9.12		31-Mar-2019	At the end of the year	0	0.00	5,000	0.01
9.13	Tata Aia Life Insurance Co Ltd-Super Select Equity Fund-Ulif 035 16/10/09 TSS 110	01-Apr-2018	At the beginning of the year	35,000	0.07	35,000	0.07
9.13		31-Mar-2019	At the end of the year	0	0.00	35,000	0.07
9.14	Tata Aia Life Insurance Co Ltd-Super Select Equity Pension Fund-Ulif 037 04/01/10 FSS 110	01-Apr-2018	At the beginning of the year	600	0.00	600	0.00
9.14		31-Mar-2019	At the end of the year	0	0.00	600	0.00
9.15	Tata Aia Life Insurance Co Ltd-Life Growth Fund Ulif 004 04/02/04 Tgl 110	01-Apr-2018	At the beginning of the year	6,000	0.01	6,000	0.01
9.15		26-Oct-2018	Decrease	-6,000	-0.01	0	0.00
9.15		31-Mar-2019	At the end of the year	0	0.00	0	0.00

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				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
9.16	Tata Aia Life Insurance Company Ltd - Non Unit Linked Life	01-Apr-2018	At the beginning of the year	123,242	0.25	123,242	0.25
9.16		15-Mar-2019	Decrease	-24,794	-0.05	98,448	0.20
9.16	Policy Holders Fund Participating	31-Mar-2019	At the end of the year	0	0.00	98,448	0.20
9.17	Tata Aia Life Insurance Company Limited Non Unit Linked Life Non Participating Funds	01-Apr-2018	At the beginning of the year	3,151	0.01	3,151	0.01
9.17		12-Oct-2018	Decrease	-816	0.00	2,335	0.00
9.17		21-Dec-2018	Decrease	-2,335	0.00	0	0.00
9.17		31-Mar-2019	At the end of the year	0	0.00	0	0.00
9.18	Tata Aia Life Insurance Company Limited Ac Unit Reserve Fund	01-Apr-2018	At the beginning of the year	1,838	0.00	1,838	0.00
9.18		12-Oct-2018	Decrease	-469	0.00	1,369	0.00
9.18		15-Mar-2019	Decrease	-275	0.00	1,094	0.00
9.18		31-Mar-2019	At the end of the year	0	0.00	1,094	0.00
9.19	Tata Aia Life Insurance Company Limited Ac Reserve Fund Pension Individual	01-Apr-2018	At the beginning of the year	197	0.00	197	0.00
9.19		12-Oct-2018	Decrease	-65	0.00	132	0.00
9.19		31-Mar-2019	At the end of the year	0	0.00	132	0.00
9	Total :			615,501	1.24	517,521	1.05
10.1	Pi Opportunities Fund I	01-Apr-2018	At the beginning of the year	0	0.00	0	0.00
10.1		14-Dec-2018	Increase	468,000	0.95	468,000	0.95
10.1		11-Jan-2019	Increase	22,650	0.05	490,650	0.99
10.1		31-Mar-2019	At the end of the year	0	0.00	490,650	0.99
10	Total :			0	0.00	490,650	0.99

Note: Shareholding is Consolidated based on Permanent Account Number (PAN) of the Shareholder.

(V) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of the Shareholder	Date	Reason	Shareholding at the beginning of the year 01.04.2018		Cummulative Shareholding during the year	
				No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
1.1	Prakash Manjanath Telang	01-Apr-2018	At the beginning of the year	1,000	0.00	1,000	0.00
1.1		31-Mar-2019	At the end of the year	0	0.00	1,000	0.00
1			Total :	1,000	0.00	1,000	0.00

None of other Directors and Key Managerial Personnel of the Company hold equity shares of the Company during the financial year 2018-19.

(V) Indebtedness

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

The Company's indebtedness as on March 31, 2019 is 900 MINR

(VI) Remuneration of Directors and Key Managerial Personnel (KMPs)

₹ in million

A. Remuneration to KMPs

S. N.	Particulars of Remuneration	Carl Orstadius MD (upto 15/08/19)	Manish Bhatnagar MD (from 16/08/19)	Chandramowli S. CFO	P. Bhandari CS	Total
1	Gross Salary					
	a Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	8.73	12.92	11.64	3.7	36.99
	b Value of perquisites u/s 17(2) Income Tax Act, 1961	0.8				0.8
	c Profits in lieu of salary under section 17(3) Income tax Act, 1961	-				-
2	Stock option	-				-
3	Sweat equity	-				-
4	Commission					-
	% of Profit	-				-
	Others (specify)	-				-
5	Others. Please specify					-
	Deferred benefits (PF & superannuation)	2.77	1.37	0.66	0.26	5.06
	Long Term incentive scheme /ASTVS	0.75	-	3.57	0.38	4.70
	Performance linked incentives	1.4	3.81	2.97	0.96	9.14
	Total (A)	14.45	18.10	18.84	5.30	56.69
	Ceiling as per the Act	264.26				

B. Remuneration to Other Directors

S. N.	Particulars of Remuneration	Name of Directors				Total
		R. Makhija	P R Menon	P M Telang	H. Hattangady	
1	Independent Directors					
	Fee for attending Board / Committee meetings	-	0.66	0.75	0.6	
	Commission		1.87	1.87	1.87	
	Others, please specify	-	-	-	-	
	Total (A)	-	2.53	2.62	2.47	7.62
2	Other Non-Executive Directors					
	Fee for attending Board / Committee Meetings	0.74	-	-	-	
	Commission	2.30	-	-	-	
	Others, please specify	-	-	-	-	
	Total (B)	3.04	-	-	-	3.04
	Total (A+B)	3.04	2.53	2.62	2.47	
	Total managerial remuneration					10.66
	Overall ceiling as per the Act					52.85

(VII) Penalties / Punishment / Compounding of Offences

During the year under review, no penalties were levied against the Company or its Directors or any of its officers under the Companies Act, 2013 nor was there any punishment or compounding of offences against the Company or its Directors.

For and on behalf of the Board
SKF India Limited

Bengaluru
May 15, 2019

R. Makhija
Chairman

ANNEXURE VIII – 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 and forming part of the Directors' Report for the year ended March 31, 2019

Disclosures**A. CONSERVATION OF ENERGY :**

SKF India is committed to its principle of environment care by reducing environmental impact from the operations through the products, solutions and services that SKF offers. Under SKF Care, areas having material environmental impact have been identified which includes energy and climate, recycling and waste management, resource efficiency and water consumption.

The Company's system and process are in compliance with ISO 14001 / OHSAS 18001 Environment Management and ISO 50001 Energy management system. The following projects were undertaken at various locations.

1.1 Pune Plant

- SKF Pune has initiated various projects for reduction in energy consumption under its "SustEn" initiative in its production areas. Along with this various energy saving projects were completed in central utilities, HVAC and Heat treatment and compressors.
- Using six sigma methodology, major energy saving activities were carried out by optimizing motor capacity and duty cycle in different grinding machines having capacity more than 15 KW. LED green initiative project completion is @ 70%.
- Innovative energy conservation solutions like heat pumps have been installed on washing machines in heat treatment area and will result in substantial savings.
- Online real time energy monitoring system installed covering 95 electrical node points with all major significant energy users with real time alarm.
- Major planned maintenance activities on 5 furnaces were carried out to minimize heat losses through the furnace walls
- The plant electrical power factor was maintained at 0.996 Lag to maximize savings due to power factor incentive mechanism.

1.2 Bengaluru Plant :

- Energy Reduction projects were implemented in the areas of optimization of HVAC efficiency, commissioning of New energy efficient compressor, process controlled hydraulic power pack load,

elimination of separate compressor for QPI and standards room operation, replacement of water cooled dryer with air cooled.

- Bengaluru plant operated on 68% Green energy in 2018.
- In line with SKF Group Sustainability drive, company has successfully reduced CO₂ emission by sourcing green power through bilateral power purchase agreements (power wheeling from hydel and wind energy source and solar roof top and off site solar Purchase)

1.3 Haridwar Plant :

- Overall project drive to reduce energy consumption by implementing LED light project
- Focused approach to reduce air leakage from the process to save electric consumption by Leek seek project
- Identified /and optimized specific processes to reduce power consumption in Laukage machine hydro power pack
- Specific electrical consumption reduced by 9%

B. TECHNOLOGY ABSORPTION:

The existing Technology License Agreement with Aktiebolaget SKF, the parent Company, allows your Company access to SKF intellectual property rights, proprietary technology including numerous patents, extensive research and development capabilities and expertise in best practices and technologies developed by the global network of SKF Research & Development Centers (RDC). This has been used extensively in all the areas of manufacturing, which includes product designing, product engineering, application engineering, testing, advanced engineering simulations, new technologies in manufacturing, advances in material selection for specific applications related technologies and technical training giving competitive edge in the market.

Pune Plant

Center of Excellence is regularly supporting in transferring and implementation of upgraded technology for process and quality improvements, quality checks and energy saving such as –

- Development of inline components measurement system
- Development of noise & vibration checking machine for Tapered Roller Bearing with Laser Vibrometer and BVR+ software
- In-process controls on TRB, HBU & DGBB channel machines to arrest defect generation and quality improvement

Support in Design & Development of Next Generation Products and Value Added Solutions for Customers from PD & AE Teams

- Paired TRBs with spacers for tractor PTO shaft application.
- Development of MDGBB & TRB with carbo nitriding heat treatment.

Technology support & guidance from process experts for installation of new channels for capacity improvement

- Installation of new heat treatment furnace
- Expansion of grinding facilities
- Installation of new mTRB channel and Hub 3 channel

Bengaluru plant

- Additional Channel added to improve output by 9 million bearings
- Electronics of grinding machines upgraded for efficiency improvement.
- Face grinding machine upgraded with control system for capacity improvement.
- Outer ring honing machine modified to 2 ring per cycle for capacity improvement.
- Caging machine modified to prevent caging defects.
- Outer ring race grinding modified to Inner ring race grinding machine.
- Cost saving tooling projects initiated for cost reductions like Abrasive & tooling cost reduction – packing facilities automated partially, localization of certain critical toolings.

Haridwar Plant :

- Application specific bearings for two wheeler market launched
- Implementation of cycle time reduction projects in some grinding operations to improve the output
- Tooling modification to reduce the resetting time
- Customer need based megaproject launched for improving product efficiency & cost for specific application

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- The Company continues to explore new product range to the overseas customers. Exports are mainly to automotive customers wherein the products are delivered mainly to four wheeler OEM's and also to aftermarket in Asia and USA. In the current year, developed and launched some products in the Asian market also for industrial applications. Exports is 1965 MINR which is about 7 per cent of the total sales and was affected adversely by the slowdown in automotive markets abroad.
- The information on foreign exchange earnings and outgo is as below:
Earnings in foreign exchange is 2237 MINR, comprising of exports of 1965 MINR and technical and other service income and reimbursement of expenses 272 MINR.
- Outgo in foreign currency-purchase of finished products 8164 MINR; purchase of components, stores, capital goods 1869 MINR; royalty 490 MINR, trademark fee 316 MINR, IT services 247 MINR, professional fees, travel and other expenses 95 MINR and dividend remitted 322 MINR.

For and on behalf of the Board
SKF India Limited

Bengaluru,
May 15, 2019

R. Makhija
Chairman

BUSINESS RESPONSIBILITY REPORT

[As per Regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015]

Introduction

Sustainability is on the agenda of the Group's functioning and we strive towards imbibing the same into our daily operations. We have embarked on the journey of developing this business responsibility report based on the suggested framework of SEBI. Sustainability is one of the key strategic drivers of business at SKF and we align sustainability with SKF care. Business, Environment, Employees and Communities are four dimensions of SKF care and we aspire to create shared value among these dimensions through our operations.

We consider this as an opportunity to communicate our performance and progress across environmental, social and governance aspects. This report for Financial Year 2018-19 is our third year of publishing the business responsibility(BR) report. Through this report, we are committed to monitoring and reporting on the non-financial parameters and thereby maintain confidence and trust of all our stakeholders elemental for our continued growth.

Section A: General Information about the Company

- Corporate Identity Number (CIN) of the Company : L29130MH1961PLC011980
- Name of the Company : SKF INDIA LIMITED
- Registered address : Mahatma Gandhi Marg, N. S. Road, Charni Road (W), Mumbai - 400 002
- Website : www.skfindia.com
- E-mail id : investors@skf.com
- Financial Year reported: April 2018 to March 2019
- Sector(s) that the Company is engaged in (industrial activity code- wise): class sector

Class	Sector
2814	Bearings and its component

- List three key products/services that the Company manufactures /provides (as in balance sheet)
Following are the key products provided by SKF India Limited as in the balance sheet:
 - Ball Bearing
 - Hub Bearing
 - Taper Roller Bearing
- Total number of locations where business activity is undertaken by the Company
 - Number of International Locations (Provide details of major 5) - None
 - Number of National Locations - 3 manufacturing locations (Pune, Bengaluru and Haridwar).
- Markets served by the Company - SKF India Limited is present across the country and serves the national markets.

Section B: Financial details of the Company (all values in INR)

- Paid up Capital -494,379,630 INR
- Revenue from operations - 30,345,249,824 INR
- Total profit after taxes - 3,357,696,387 INR
- Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) : 2% of average profit before tax for previous 3 years
- List of activities in which expenditure in 4 above has been incurred.
The above expenditure has been incurred in the following activities:
 - Training to promote nationally recognized sports
 - Employment enhancing vocational skills
 - Livelihood enhancement
 - Empowering women
 - Ensuring environmental sustainability
 - Promotion of education

Section C: Other Details

- Does the Company have any Subsidiary Company/ Companies?
- No, we do not have any subsidiaries.
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)
- Not Applicable
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]
- Not Applicable

Section D: BR Information

1. Details of Director/Directors responsible for BR

- Details of the Director/Directors responsible for implementation of the BR policy/policies

Name	DIN Number	Designation
Mr. Manish Bhatnagar	08148320	Managing Director

- Details of the BR head

Sr.no	Particulars	Details
1.	DIN Number (if applicable)	06484696
2.	Name	Mr. Shrikant Savangikar
3.	Designation	Head-Business Excellence, Quality and Sustainability
4.	Telephone number	912066112255
5.	e-mail id	shrikant.savangikar@skf.com

2. Principle-wise (as per NVGs) BR policy/policies (Reply in Y/N)

S No.	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy/policies for..	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	Y	Y	Y
4	Has the policy been approved by the Board? Is yes, has it been signed by MD/owner/ CEO/appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the Company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	<p>The links for the policy to be viewed online are provided below:</p> <p>P1, P3 – The links for the policy to be viewed online are provided below:</p> <ul style="list-style-type: none"> • P1 to P9 common for all –http://www.skf.com/in/our-company/organization/skf-commitment/code-of-conduct/index.html • P1 : http://www.skf.com/in/our-company/organization/skf-commitment/vision-mission-drivers-values/index.html • P1- http://www.skf.com/binary/83-166890/Vigil-Mechanism-Policy-31.07.2014-FINAL.pdf • P2, P6 – http://www.skf.com/in/our-company/organization/skf-commitment/environment-health-safety-policy/index.html • P2 - http://www.skf.com/binary/21-45396/SKF-Code-of-Conduct-for-suppliers-and-sub-contractors_English-version-1.pdf • P7 – http://www.skf.com/in/our-company/organization/skf-commitment/principles-and-charters/index.html • P8 – http://www.skf.com/binary/89-295636/SKF-India-CSR-Policy.pdf • P9 – http://www.skf.com/in/our-company/organization/skf-commitment/skf-group-quality-policy/index.html 								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	Y	Y	Y	Y	Y	Y

2a. If answer to Sr.no 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S No	Particulars	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	The company has not understood the Principles									
2	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

Not Applicable

3. Governance related to BR

- Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. (Within 3 months, 3-6 months, Annually, More than 1 year.)
A strategic meet is conducted every year and a report on the BR performance presented annually. In addition to this, Managing Director covers a report on Environmental, Health and Safety (EHS) and other factors contributing to the BR performance in every meeting of the Board of Directors.
- Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?
Company has published its BR Report every year from Financial Year 2016-17
Please find page of BR Report link
<http://www.skf.com/in/investors/shareholder-information/index.html>
Please find link of BR Report for financial year 2017-18 which is part of SKF India Annual report (Page 89 to 100).
<https://www.skf.com/binary/83-430846/SKFAR2018Final.pdf>

Section E: Principle-wise performance

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

We believe that ethical behaviour and good governance help an organization in building stakeholder confidence. Our business ethics require us to drive high ethical standards in our business, increase our accountability by performing our duties with honesty and integrity and, acting in a responsible and professional manner to follow the practice of fair competition and treat everyone with respect.

1. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs / Others?

We have a well-defined Code of Conduct that requires full compliance with all applicable laws and regulations and exhibits our approach towards implementation of our core values - High ethics, Empowerment, Openness and Teamwork - across our four areas of responsibility mentioned below.

- To our customers, distributors and suppliers
- To our employees
- To society
- To our shareholders

Our Code of Conduct has been approved by our Board of Directors and its provisions are applicable to all the employees across the Company. We have also formulated a comprehensive Code of Conduct for our suppliers and sub-contractors which is extended to NGOs as well. Additionally, we have also implemented Whistle Blower Policy, Prevention of Insider Trading Policy and various other policies including SKF Conflict Minerals Policy, SKF EHS policy, SKF Group Social Policy to further strengthen our governance mechanism.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

At SKF, we have an effective grievance redressal mechanism. Our Whistle Blower policy aims at investigating any breach related to ethics which is governed by our Code of Conduct while protecting the person(s) who has disclosed the breach. Apart from the opportunity for any employee or other stakeholder to approach the HR Manager, Director HR or even the Managing Director, there is a phone line and email ID through which grievances can be reported. Employees or other stakeholders can send direct mails to the MD or even to the Group CEO. There have been instances wherein disciplinary action has been taken against employees for violation of Code of Conduct based on, among others, whistle blower complaints received.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1. List up to 3 products or services whose design has incorporated social or environmental concerns, risks, and/or opportunities.

The Company does not design products. Designing is done by the SKF Group which endorses both the Global Compact and the Universal declaration of Human Rights. Furthermore, SKF also adheres to ILO's Declaration considering multinational companies, and works to adhere to the OECD Guidelines for Multinational Enterprises.

Some of the examples of our group products designed in accordance to the above principles are produced and sold in India:

Taper hub bearings for Steering arm and cabin tilting applications

Taper hub bearings (HBU1T) have been replaced in steering arm and cabin tilting application for trucks where conventionally TRB or DGBB bearings were used. These bearings are greased and sealed for life. Grease consumption is reduced by more than 60%. This has direct impact on environment as grease is not required to be changed and disposed off during servicing. Apart from this, HBU1T has longer life, which saves natural resources by avoiding manufacturing of additional bearings.



Rocker Arm Bearing

SKF provided Rocker Arm Bearing (RAB)Units as solution to customers for its engine valve train, which is needed in products like scooters, motorcycles and cruiser bikes. The RAB comes with features like special heat treatment, Compact and light weight designs for low inertia and high speeds and having less friction and extremely robust design. SKF RAB provides benefits like it improves extended life and reliability, reduces friction, noise and vibration, enables higher operating speeds



Energy efficient bearings :

To meet the targets of energy efficiency and regulatory requirement of BS VI India for emission norms, SKF provided solution of SKF Energy efficient bearing. This is a ball bearing design which has the potential to reduce friction by up to 30%.



2. For each product, provide the following details in respect of resources (energy, water, raw material etc.) per unit of product

We are aware of the impacts our operations are going to have on our environment. We continue to adopt energy conservation initiatives and constantly strive to provide products, services and solutions which are environment friendly and socially viable. We take concerted efforts to minimize the impact on environment and support our Group's innovation and R&D team to deliver energy efficient solutions thereby enhancing our EHS performance.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

Our SKF Group purchasing EHS policy outlines guidelines for conservation and safeguarding of energy, water and natural resources for the entire supply chain and also promotes green procurement. All the raw materials for our manufacturing purpose are sourced through steel mills. In India, the steel mills are actively participating in sustainability initiatives and developments. Two of the steel mills and four major suppliers are certified for ISO 50001:2011 (Energy Management System). This has resulted in 80% of our steel procurement through sustainable sourcing. Moreover, 80% of our capital expenditure procurement is conducted through sustainable sourcing.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes. Localization is of vital importance in our strategy. We encourage our local (within India) suppliers to improve their capability. We conduct various audits like:

- QT3 (Quality techniques) audit for new supplier quality approval
- Zero defect audit for improving supplier capability on quality
- Supply chain audit to improve supplier capacity
- Code of conduct for supplier & subcontractor audit to care of all legal, social, environmental and safety aspects at supplier site

We have conducted workshops for local vendors focusing on spreading awareness on Code of Conduct, its need in the modern day and the legal requirements embedded in CoC4S. SKF values the contribution of local vendors in its businesses. Hence, we have conducted five workshops on Code of Conduct for Suppliers in key locations such as Pune, Ahmedabad, Jaipur, and Bengaluru.

TPM Cluster is also a supplier improvement activity run by us along with third party consultant. *Vikas Sath Sath*,

Unnati, Sathi are few initiatives which assist suppliers to improve their capability and capacity. All the activities are focused on direct material suppliers as they contribute maximum in purchasing procurement. However, for IDM (Indirect Material) commodity also we promote local & small producers which include packaging & tooling suppliers. Local & small producers contribute 50% of IDM buying value & 75% as localization value (within India buying).

5. Does the Company have mechanism to recycle products and waste? If yes, what is the percentage of recycling waste and products?

Yes, we have a bearing re-manufacturing concept that contributes in a big way to life cycle optimization through up surging the service life of machines and thereby reducing costs. Bearing re-manufacturing also reduces our environmental impact due to the reduced material and energy requirement. This ultimately helps us achieve our aim of using knowledge engineering to deliver high quality solutions and ensures increased customer satisfaction. We recycle 100% of our returned bearings and processed raw materials by sending them to steel plants where they are being used as raw materials. We recycle 85% of our total waste.

Principle 3: Businesses should promote the wellbeing of all employees

We recognize that our success is the outcome of the competence and commitment exhibited by our employees to drive business. We are committed to providing an environment that is conducive for continuous development and wellbeing of all our employees. All our policies and practices promote this commitment. Our policies on leave, higher education, health care, career progression, flexible work hours, maternity / paternity benefits, multi-skill development, grievance redressal, human rights and employee relations are focused on ensuring overall well-being of our employees.

Our policies are reviewed annually to keep up with the aspirations of our employees as well as the changes in the external environment. We conduct several activities such as sports competitions, long service awards, celebration of festivals, kaizen competitions etc. to boost employee engagement. Our leave provisions are a benchmark in the industry. For the management staff, the sick leave is unlimited. We provide paternity leave and have initiated the 26 week maternity leave even before the 'Maternity Act' was amended. We pitch in concerted efforts for ensuring that our employees strike a perfect balance between their professional and personal commitments.

We have sponsored "Employee Assistance Program" which is designed for personal or family problems, including mental health, substance abuse, various addictions, marital problems, parenting problems, emotional problems, or financial or legal

concerns. This is an independent counselling and resource service available 24/7 to employees via phone, e-mail or live chat. The service assists with personal issues that could interfere with health, happiness, & work. It provides counselling and family support, including legal and financial information. The personal information is kept confidential.

1. Please indicate the total number of employees. 1759
2. Please indicate the total number of employees hired on temporary/contractual/casual basis.
Temporary employees – 702;
Contractual employees – 1255
3. Please indicate the Number of permanent women employees. – 91
4. Please indicate the Number of permanent employees with disabilities – 1

Benefits for employees:

The permanent employees in management cadre can avail benefits related to leave, health insurance, higher education, flexi working time, superannuation scheme, travel, health checks etc. The unionized employees are governed by agreements reached in wage settlements for various benefits. For the temporary employees we ensure that leave, PF, gratuity, holidays, ESIC are compliant to the provisions of the law. We provide canteen and transport facility to our temporary and permanent employees likewise. 47 employees have received parental leave (Maternal/ Paternal) benefits.

5. Do you have an employee association that is recognized by management?

Yes. We have employee associations that are recognized by the management at Pune, Bengaluru and Haridwar factories. All our factories are having unions. The Pune location Union is internal. Bengaluru union though internal takes support of an External Leader as their President. Haridwar Union is affiliated to Bhartiya Majdoor Sangh.

There is no multiplicity of unions in the factories and all unions follow a democratic way of functioning, with periodic election of office bearers, committee and general body meetings. Management supports the unions in conducting the elections peacefully during working hours. SKF believes in nurturing the union and organizes various programs for the development of the union leaders and its members. Two members of the leadership team from Pune union attend the 'World Council of Unions' meetings in Europe every year. Union and Management collaboration workshops are organized for strengthening the partnership in running the business.

6. What percentage of your permanent employees is members of this recognized employee association?

58% of our permanent employees are members of the recognized employee associations.

7. Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.

S. No.	Category	No of Complaints filed during the financial year	No of complaints pending as on end of this financial year
1	Child labour/forced labour/involuntary labour	NIL	NIL
2	Sexual harassment	One	NIL
3	Discriminatory employment	NIL	NIL

At SKF, we strongly believe in the core values of the Group on Openness and nurture a culture of free and transparent communication at all levels. We believe in gender neutrality and a policy has been framed accordingly. Every factory has an Internal Complaints Committee framed under the Prevention of Sexual Harassment Act. Further details on mechanisms for prevention of child labour and discriminatory employment are provided under Principle 5 of this report.

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?

We consider our employees to be our most important assets and undertake initiatives to foster a culture of continuous growth. It is our constant endeavor to empower them with safety and skill-upgradation trainings to motivate professional and personal development.

Category	Average hours Skill-upgradation Training	Safety Training
Permanent employees	28	8
Permanent women employees	9.5	8
Temporary employees	28	7
Contractual employees	2	1
Employees with disabilities	1	1

We believe in training our employees on a variety of behavioural competencies. To facilitate skill development and training, all three factories have dedicated training centres named as "Kushal". These centres ensure continuous skill upgradation and technical knowledge enhancement among employees. Multi-skill development is an initiative to tap the potential of employees and enhance flexibility. Our factories at Pune and Haridwar have structured policies for promoting multi-skill development among employees and improve flexibility in operations. All permanent and temporary employees undergo structured

'class room' and 'on the job' induction programs. Our contractual employees also receive training from their contractors on the specific areas of their job.

SKF College Campus : At Pune we have a learning center (One of 5 such centers worldwide), where we design and deploy variety of technical / behavioural competency development, leadership development and high potential employee development programs. The objective of these programs is to equip our employees with the right skills and capabilities to deliver as expected. We also offer a combination of local and global development programs to ensure employees have the right opportunities to develop themselves and grow in the organization.

At SKF, we believe in providing continuous learning opportunities to our employees while they serve they organization. We have a Higher Education Policy and a Work Integrated Learning Program to enable our employees to build their professional capabilities and implement those learnings at work.

External opportunities for learning: Apart from the in-house programs, we encourage employees to attend

external programs even at international levels. Even the operators are sent to organizations like Asia Plateau for self-development programs. Many of our managers attend programs run by premier institutes apart from seminars and workshops which provide them with unique learning experiences. Our Leaders are sent for programs conducted at SKF Globally, like the International Management Program, Global Leadership Programme. Learning through participation in Global projects is also encouraged.

Performance and Career Development: We have a structured online process for Performance Management of the staff. Impetus is placed not only on the goal achievement by the employees but also on the behaviour exhibited. Structured programs are conducted for critical talent development and succession planning. We have created skill matrices for workmen. This is used for skill assessment for workers every year through which we identify the training needs. For management staff, we have Individual Development Plan in place. The Circle Leader model in the Pune factory gives the capable operators an opportunity to exhibit their leadership capabilities in leading teams. We are having various leadership development programs, Manage lead and coach program in place

Average hours of training on:	Total Employees		Employees at Management level		Employees at Non-Management level		Temporary Employees		Contractual Employees		Permanent Employees with Disabilities	
	M	F	M	F	M	F	M	F	M	F	M	F
a) Safety	8	8	2	2	7	7	7	7	2	2	7	0
b) Skill upgradation	28	9.5	12.5	13	16	13	28	28	2	2	16	
c) Others management trainings			19	17								

Principle 4: Businesses should respect the interests of, and be responsive to the needs of all stakeholders, especially those who are disadvantaged, vulnerable, and marginalized.

We are actively involved in developing and sustaining relationships with our key stakeholders. Our stakeholder engagement strategies have been designed in line with the needs of respective communities. Our engagement process with stakeholders serves a dual purpose of improved risk management and addressing stakeholder concerns to ensure better outcomes.

1. Has the Company mapped its internal and external stakeholders?

Yes. We have mapped our internal and external stakeholders. Our internal stakeholders are our employees (contractual and temporary employees). Whereas our external stakeholders are our shareholders, customers, distributors, suppliers and community. We engage with our stakeholders on a regular basis to understand and address their concerns.

List the Stakeholder Engagements in the reporting period	Major topics covered in the Stakeholder Engagement	Frequency of the Stakeholder Engagement
Customers	Customer meets /Distributors exhibitions for segments Cement, Power, Textile, Metals, F&B, Paper, Sugar, Small OEMs, Mining	45 (Annually)
Customers	Anti-counterfeit Awareness campaigns for customers	20 (Annually)
Customer	Site visit for physical verification of bearings and customer awareness for anti-counterfeit.	107
Distributors	Training on handling anti-counterfeit issues to authorized distributors	45
Retailers	Training on handling anti-counterfeit issues to retailer	25
Customers	Customer Dossiers	15 (Annually)
Suppliers	"Vikas Saath Saath" supplier productivity development program	Quarterly



Photo of SKF customer meet.

2. Has the Company identified the disadvantaged, vulnerable, and marginalized stakeholders?

Yes. Through our CSR policy we have identified the disadvantaged, vulnerable and marginalized stakeholders as children in the surrounding communities, girl child, women and unemployed youth.

3. Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.

Our CSR policy guides us on various initiatives that can be undertaken to engage with the disadvantaged, vulnerable and marginalized stakeholders. The key initiatives undertaken for the well-being of these stakeholders are

- Providing Training to Promote Nationally recognized Sports
- Providing Employment Enhancing Vocational Skills
- Providing Livelihood Enhancement
- Empowering Women
- Ensuring Environmental Sustainability
- Promotion of Education

Further details on these initiatives have been discussed under Principle 8 of this report.

Principle 5: Businesses should respect and promote human rights

We regard human rights as a top priority. We are tenacious to uphold and report transparently on human rights within our organization and our value chain. We ensure employee rights by requiring that all employees respect the human rights and forbid discrimination against or harassment of others based on race, caste, religion, nationality, gender, physical capability, marital status, sexual orientation, age, ancestry or other reasons.

1. Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

We believe that it is our obligation to respect our employees and their rights as stated in our code of conduct. Our commitment to human and labour rights requires us to provide a safe and healthy workplace, offer a non-discriminatory environment, bring diversity across the organization, work actively against the use of child and forced labour, act against any form of harassment, ensure that we meet the minimum standards on wages and working hours and provide opportunities to employees for individual development.

Our Code of Conduct applies to all the Company employees, contractors and NGOs. We have a separate code of conduct for suppliers and sub-suppliers which covers all major aspects of human rights and requires our 100% direct material suppliers to undergo an COC4S (Code of Conduct for suppliers and sub-suppliers) audit evaluation. We have success stories which reflect the effectiveness of our Code of Conduct in terms of human rights.

Our Responsible sourcing team visit and audit suppliers for observing issues such as missing employment contract, wage disparity for women, not paying overtime wages and other benefits of employment like leave payment. It can also be about chemical handling, environmental pollution due to waste handling, or employee health and safety. This helps supplier to develop self for social and environmental compliance and adhere human rights. In this financial year we have completed 5 code of conduct trainings to our suppliers.

2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

We believe in gender neutrality and our policy has been framed accordingly. We conduct gender sensitization programs for all employees to provide a non-threatening work environment. Recruitments, promotions and internal job postings are done through a transparent process which involves multiple levels to eliminate any possibility of discrimination. In case of any grievance related to discrimination, employees are free to approach either individually or through the union to the HR Manager, Factory Manager or Director HR.

All our factories comply with the provisions of the Indian Factories Act 1948, with regards to Child Labour. We do not allow any person below the age of 18 to work in the factories, be it directly or indirectly. The HR officials verify the date of birth of all direct employees while the contractors do the same for contractual employees. We also adhere to the UN Convention on Human Rights and ensure that the human rights of all employees are protected.

We did not receive any stakeholder complaints related to violation of human Rights during the FY 2018-19.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment

At SKF, we have a firm commitment towards protection of environment. We ensure that our processes and production units are energy-efficient and safe and our life-cycle analysis of products evaluate environmental aspects across the entire value chain.

1. Does the policy related to Principle 6 cover only the Company or extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others?

We are committed to minimize environmental impacts from our operations, services and products. Our environmental policy covers the Company and extends to our suppliers, contractors and NGOs. It has been developed to encourage the value chain to reduce its environmental impact.

2. Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc.? If yes, give hyperlink for the webpage etc.

We at SKF, are determined to perform in a manner that not only ensures strong financial performance but also supports environmental sustainability. Under SKF care, environmental care is one of the most important principles. We undertake various steps to address environmental impacts at different stages of our product 'life cycles and our entire value chain' on a periodic basis.

The 'SKF Beyond Zero' is our strategy for actively reducing the environmental impacts of our manufacturing operations, products and supplier actions. 'SKF Beyond Zero' also focuses on offering customers with new technologies, products and services with enhanced environmental performance characteristics through innovation.

We also work towards sustainable sourcing and transparency and have a dedicated supplier development organization. All our and major indirect material suppliers are mandated to undergo the SKF COC4S audit to ensure compliance with respect to emerging issues such as environmental management, REACH (Registration, Evaluation, Authorization and Restriction of Chemicals), ROHS and prohibited substances like 3TG (Tungsten, Tantalum, Tin, and Gold) by having policy for conflict Minerals.

Our global environmental targets as available on below link and applicable to SKF India.

<http://www.skf.com/in/our-company/organization/skf-care/environmental-care/climate-change/climate-strategy/index.html>

In line with the environmental care principle of the SKF Group, we have initiated "SustEn". "SustEN" (Sustainable Energy) focuses on the demand and supply side projects along with use of bilateral power trading of renewable and non-renewable energy sources and roof top solar installations. This has led to multiple benefits such as

- Reduction in specific energy consumption
- Reduction in GHG emissions
- Improved renewable energy mix

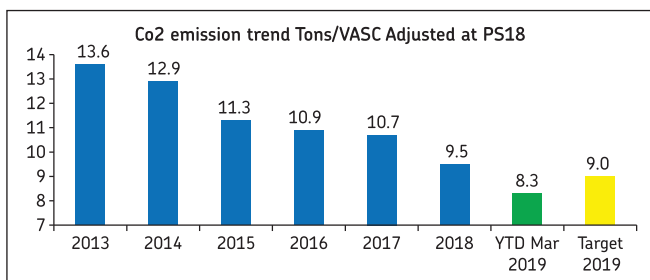
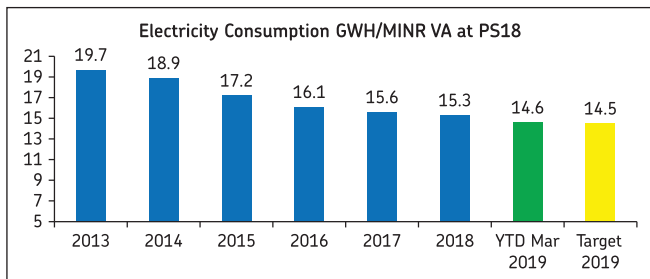
We have adopted a Three-Pronged Approach which includes the following

- Reduction in energy consumption through six sigma projects at all 3 locations
- Bilateral and trading models of sourcing
- Solar installation



In the reporting period, we have initiated 74 energy saving projects (supply and demand side) at all locations with potential savings. Till Mar end 2019, we have completed 56 projects with a saving of 48 MINR. In 2019-20 we have identified 51 projects. for electrical energy reduction projects, electrical energy supply side projects and roof top solar projects.

Our energy mix has improved over the years. Prior to 2014, our energy requirements were sourced 100% from thermal (State grid). In 2018-19, our energy mix of renewable energy is 24% which includes green and solar energy.



Our energy consumption has reduced year over year. The CO₂ emission in Tonnes per Million Indian Rupees value added is reduced by 26.4% in 2018 compared to 2014.

3. Does the Company identify and assess potential environmental risks?

Yes, we have a mechanism to identify and assess potential environmental risks across our operations and in our value chain. We have adopted guidelines of SKF care principles which focus on the environmental aspects like energy, water, soil and air. The risks are identified in co-ordination with business heads and location teams and steps are taken to mitigate risks.

All forging and major suppliers are certified to ISO 14001 Environmental Management Systems (EMS) standard. As a part of EMS implementation, potential environmental risks are identified and appropriate mitigation strategies are implemented. For all energy intensive suppliers, we have mandated the ISO 50001 EnMS certificate to optimize energy consumption across our value chain.

4. Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof. Also, if Yes, whether any environmental compliance report is filed?

We currently do not have any projects related to Clean Development Mechanism.

5. Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.? Y/N. If yes, please give hyperlink for web page etc.

Yes, The initiatives are mentioned in Question 2

For more information, kindly visit: http://www.skf.com/in/our-company/organization/skf_care/environmental-care

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

Yes, all our manufacturing plants comply with the permissible limits of air emissions/ waste generation given by CPCB/ SPCB for the financial year. In the financial year, our direct GHG emissions were 37160 MT CO₂e, This has reduced due to use of renewable energy use.

Type of waste generated	Quantity of Waste Generated in the reporting period (MT/day)
	2018-19
Grinding dust	6.4
ETP sludge	0.1
Filter papers	0.6
Waste / Spend oil	0.8
Scrap bearing components	1.7
Garbage / Factory rubbish	1.5
Corrugated boxes	0.2

Type of waste generated	Quantity of Waste Generated in the reporting period (MT/day)
	2018-19
Waste wooden material	0.8
Metal scrap	0.4
Plastic scrap	0.1
Gr. Wheel	0.1

7. Number of show cause/ legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

We put in concerted efforts to minimize the impacts of our operations and have been consistent in complying with the regulatory standards of effluents, waste and emissions. In the financial year, there were no pending show cause/ legal notice received from CPCB/ SPCB.

Principle 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

We recognize our responsibility and the magnitude of influence our inputs can have on vital topics of our interest. Our active participation in important national level initiatives and associations are a testimony to our commitment towards responsible development. Through our memberships in the following associations, we seek to maintain a healthy dialogue with our stakeholders. We consider these forums as a platform to express our views to policymakers and other stakeholders on matters relevant to our business.

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

We are a member of the following associations:

1. The Council of EU Chambers of Commerce in India
2. Confederation for Indian industries
3. Quality circle forum India
4. AEEE (Alliance for an Energy Efficient Economy)
5. National Safety Council
6. Indian National Suggestion Scheme
7. World Bearing Association
8. Endorsement of Universal Declaration of Human Rights, Global Compact

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box:

Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

As a member of the above associations, we contribute in the development and prosperity of the industry. Following

are the topics we support our associations with these bodies:

Sr. No	Associations, Trades and Chambers to which we are a Member	Topics for which we have Lobbied in these Associations for Public Good
1	The Council of EU Chambers of Commerce in India	Commerce
2	Confederation for Indian industries	TPM, Quality, Sustainability
3	Quality Circle forum of India	Quality
4	AEEE (Alliance for an Energy Efficient Economy)	Energy Savings
5	National Safety Council	Safety
6	Indian National Suggestion Scheme	Continuous improvement
7	World Bearing Association	Anti-counterfeit bearings
8	Endorsement of Universal Declaration of Human Rights. Global Compact	Sustainable and inclusive global economy

Principle 8: Businesses should support inclusive growth and equitable development.

Community care and community development is of paramount importance to us. At SKF India Limited, we believe the communities we operate in represent our future market and workforce; when a society grows, SKF grows with it. Our vision is “To create a positive change in communities neighbouring our operations and create a meaningful difference from the recipients’ perspective.”

1. Does the Company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.

We have a community care model in which the program is structured in accordance with United Nations Global compact principles and The Business Charter for Sustainable Development by International Chamber of Commerce. We are guided by the SKF Group’s, SKF Social Policy which delineates a framework to undertake activities with an intent of holistic development of the society and its citizens. During the reporting period, we centred our attention primarily towards education, health, sports and social well-being. We shouldered the following initiatives which catered the society with socio-economic and inclusive development:

- Providing Training to Promote Nationally recognize Sports.
- Employment Enhancing Vocational Skills
- Empowering Women
- Livelihood enhancement
- Promotion of Education
- Environmental Sustainability

Through a medium of sports, our objective is to provide opportunities for children from neighbouring municipal schools at Pune and Ahmedabad. We have a dedicated structure initiative for football coaching which facilitates physical and mental development.

Through “Youth empowerment At SKF (YES)” program, we aspire to empower the under-privileged youth by creating employment opportunities at automotive OEMs or becoming entrepreneurs by setting up Automotive service related start-ups with the know-how of modern automobile maintenance and servicing skills.

Through “Udaan” program, we aspire to empower the talented and deserving girl candidate for higher education by providing 100% scholarship for education and related expenditure.

Through “SKF ECO Impact Park” program, we improve water capacity of dams, Lake by preservation, desilting of lakes and tree plantation around lake.

We also carry out other miscellaneous welfare activities by simply extending a helping hand to the less fortunate in times of need. We have supported Kerala Chief Minister distress relief fund during reporting year.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?

The programmes are undertaken by our in-house team in collaboration with different clubs, foundations and NGOs.

Activity/ Initiative	Undertaken through:
Employment Enhancing Vocational Skills	Don Bosco Vyavasaik Prashikshan Sanstha, Sambhav Foundation, Symbiosis Open Education Society North East Knowledge Foundation, IMC ITI Bavla Ahmedabad (all NGOs’).
Empowering Women	Gramin Shamik Prathisthan (NGO)
Ensuring Environmental Sustainability	Green Thumb NGO, United way Bengaluru NGO,
Livelihood Enhancement	I-CREATE NGO
Promotion of Education	Pratham NGO
Training To Promote Nationally recognized Sports	Pune Football Club, Kahaani Professional football clubs

3. Have you done any impact assessment of your initiative?

Impact assessment is conducted for two main flagship CSR initiatives named ‘Education through Sports’ and ‘Education through Skill Development’. This assessment is done by External agency, learnings from the same are taken ahead.

4. What is your company’s direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

Our contribution towards community development for the current financial year was allocated as follows:

Initiatives undertaken by SKF India Limited for Supporting Inclusive Development	Amount contributed directly in the initiative by SKF India Limited in millions INR
Employment Enhancing Vocational Skills	40.4
Empowering Women	8.4
Ensuring Environmental Sustainability	9.1
Promotion of Education	3.1
Training to Promote Nationally recognize Sports	13.4

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

Based on our vision, we embark our community care program with a mission which emphasizes on three broad focus areas – ‘Education, Empowerment, Environment.’

We ensure that the initiatives and the developmental activities are successfully implemented in the communities through newspaper advertisement, community visits and connection through education officers in municipal corporations. We are doing this community development project with various NGOs and Universities.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

We, at SKF India Limited put concerted efforts to ensure customer satisfaction through marketing products, services and solutions by:

- Operating capable, reliable and efficient business processes.
- Applying continuous improvement throughout the organization, with the objective of zero defect.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year?

In order to address our customers’ grievances, we have different channels such as Complaint Handling system

(administrative and technical), Customer care and website. During the reporting year, we received 1202 admin complaints, 449 technical complaints and 2069 customer care calls. Out of these, 1 (0%) admin complaints, 124 (27%) technical complaints and 0 (0%) customer care calls are pending to be resolved as of March 31, 2019

2 Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)

Yes, we provide information adhering to the Legal Metrology Regulations. We print the mandatory declarations on the cartons of the products which are intended for retail sale in the market. SKF complies with the mandatory declarations under the provisions of the Legal Metrology (Packaged Commodities Rules) 2011.



Our products are equipped with a special anti-counterfeit marking. We have taken a no tolerance approach towards counterfeiting. We continuously strive to increase

awareness about the existence of counterfeits. We developed an app which enables customers to share photographs of bearings to identify genuineness. Moreover, we also conduct awareness seminars about anticounterfeit for our customer, distributors, distributor’s partner, employees. We do stock verifications for customer’s stock based on requests. Focusing on genuine products to customers, we have conducted raids in market and have sent notices to sellers selling counterfeit SKF products.

In 2018-19, we connected 10000+ customers through various means like customer meet, exhibitions, emailer campaigns, wall painting etc.

We reached out to customers of ‘Truck, Trailer and Tractor’ Expo, We also participated with SKF stall and paper presentation on ‘Surface Engineering and Coating . SKF Participated in Two Wheeler Forum, The “Shop on Wheel activity in which SKF branded vehicle is moving across major truck and tempo hubs..”

“SKF Participation in AeroIndia 2019 Asia biggest air-show-cum-defence exhibitions”.We have social media presence where we have received significant views for our awareness campaigns”

Efforts taken	Type of communication channel	Frequency of such communication	Geographical extent of such communication	Number of such efforts taken in the reporting period	Total number of participants in the reporting period
Customer meets	Meetings	On-going activity	India	45	3000+
Emailers	Mail	On-going activity	India	79	33200
Distributor development college course	Workshops/ Trainings	On-going activity	Pan India	2227	2227
Awareness campaigns	Campaigns	On-going activity	India	20	500
Stock Verification	Checking counterfeit bearings	On-going activity	India	107	107 customers
Online campaign	Awareness session	On-going activity	India	62	120000

3 Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

There has been no case filed against us either for unfair trade practices, irresponsible advertising, or anti-competitive behaviour during the reporting period. We use a systematic and disciplined way to achieve excellence and enhance our business through sound advertising and marketing.

No case has been filed by any stakeholder during the FY 2018-19.

4 Did your company carry out any consumer survey/ consumer satisfaction trends?

Yes, consumer surveys are performed at regular intervals to get insights from the consumers and drive continuous improvement. In addition to the consumer surveys, consumer satisfaction trend is monitored on a monthly basis along with voice of customer.

We have done Communication and Deployment and Corrective action plan implementation for the Customer Satisfaction Survey conducted earlier .

INDEPENDENT AUDITOR'S REPORT

To the Members of SKF India Limited

Report on the audit of the financial statements

Opinion

1. We have audited the accompanying financial statements of SKF India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
2. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
<p>Assessment of recoverability of loan given to a fellow subsidiary (Refer note 6 and 1.12 of the financial statements for the related disclosures)</p> <p>The Company has outstanding loan balance (including interest accrued) of ₹1,452 million as at March 31, 2019 in respect of loans given to a fellow subsidiary (the borrower), which has been incurring losses and for which the repayment period had been extended in earlier years.</p> <p>The management has carried out an assessment of recoverability of the loan and believes the amount to be good and fully recoverable and that no provision for expected credit loss is required, in view of the following :</p> <ul style="list-style-type: none"> • No defaults in repayment of principal and interest; • A favourable security to loan ratio based on an external valuation report used by the management during the year; • Financial and operational support extended by the borrower's holding company, whenever required; • The loan being the only secured borrowing taken by the borrower; • Assumptions used by fellow subsidiary in preparation of future cash flows were found reasonable; • Improvement in the operational and financial performance of the borrower resulting in cash profits in last couple of years. <p>The matter has been identified as a key audit matter in view of the significant amount outstanding, revision of repayment terms in the past and the fact that the fellow subsidiary is not a profit making entity.</p>	<p>Our audit procedures and testing of the recoverability included the following:</p> <ul style="list-style-type: none"> • Understood and evaluated the design and tested the operating effectiveness of the Company's controls over assessment of recoverability of loans. • Verified that the first charge by way of hypothecation of all the fixed assets is registered by fellow subsidiary with the Registrar of Companies. • Checked the computation of security to loan ratio on the basis of the valuation report of secured assets used by the management during the year and assessed whether the loan balance is adequately covered. • Verified the repayment of principal and interest payments made during the year and checked whether those were in accordance with the repayment terms. • Read the minutes of meetings of Board of Directors for discussion around performance and necessity of any provisions against the loans. • Perused the financial statements of fellow subsidiary to ensure that it has no secured borrowing other than loan from the Company. • Performed limited procedures to test the assumptions (mainly revenue growth) used by fellow subsidiary in preparation of its forecast of future cash flows and whether it is reasonable in context of assessing their ability to repay the loan.

Key audit matter	How our audit addressed the key audit matter
	<ul style="list-style-type: none"> Assessed the adequacy of disclosures in the financial statements. <p>On the basis of the above procedures performed, there were no significant exceptions observed in the management's assessment of recoverability of the loan to the fellow subsidiary</p>

Assessment of contingent liabilities relating to litigations in respect of Transfer pricing Matters

(Refer note 39 and 2(A) of the financial statements for the related disclosures)

<p>The Company has received income tax demands mainly pertaining to disallowances towards pricing of intragroup services for the financial years 2010-11 to 2013-14. The demand (including interest) on these matters is INR 1,620 million, which have been disclosed as Contingent Liabilities in the financial statements.</p> <p>The Company has filed appeals against the above orders with appropriate tax authorities. The management's assessment as supported by their tax experts' views, is that no provision is required against these matters. The assessment of outcome from and the need for provisions in case of an unfavourable outcome is an area of significant judgement involving the tax expert as well as evaluation of data presented during the assessment proceedings.</p> <p>This has been considered a key audit matter in view of the uncertain outcome of the litigations and involvement of significant management judgement in assessing the probability of outflow of economic resources.</p>	<p>Our audit procedures included :</p> <ul style="list-style-type: none"> Understanding and evaluation of processes and controls designed and implemented by the management for assessment of litigations and testing their operating effectiveness; Verification of the supporting documents such as agreements and invoices pertaining to the group costs incurred by the Company. Discussion with the management on their assessment of the probability of outcome and the likelihood of outflow of economic resources. Evaluation of the management assessment including view from the management's tax experts and the submissions made by the Company to tax authorities, with the involvement of auditors' tax experts to examine the positions taken. Assessed the adequacy of disclosures in the financial statements. <p>On the basis of the above procedures performed, we observed the management's assessment of the contingent liabilities relating to litigations in respect of transfer pricing matters to be reasonable.</p>
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Other Information

5. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, 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 in the 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 those charged with governance for the financial statements

6. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are

free from material misstatement, whether due to fraud or error.

7. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism 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 control 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 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.
10. 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 control that we identify during our audit.
11. 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.
12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

14. As required by Section 143(3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), Statement of changes in equity and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the India Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) 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, 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 39 to the financial statements;
- ii. The Company has long-term contracts as at March 31, 2019 for which there were no material foreseeable losses. The Company did not have any derivative contracts as at March 31, 2019.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2019.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner

Place: Bengaluru
Date: May 15, 2019

Membership Number: 48125

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 14(f) of the Independent Auditors' Report of even date to the members of SKF India Limited on the financial statements for the year ended March 31, 2019

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of SKF India Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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.

5. 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 system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls 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 controls 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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

7. 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 subject to the risk that the internal financial controls 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

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2019, based on the internal control over financial reporting 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.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Place: Bengaluru
Date: May 15, 2019

Jeetendra Mirchandani
Partner
Membership Number: 48125

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

Referred to in paragraph 13 of the Independent Auditors' Report of even date to the members of SKF India Limited on the financial statements as of and for the year ended March 31, 2019

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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 programme, a portion of the fixed assets has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 3 and 4 on fixed assets to the financial statements, are held in the name of the Company.
- ii. The physical verification of inventory have been conducted at reasonable intervals by the management during the year. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 and 186. Therefore,
- v. The Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed there under to the extent notified.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 39 to the financial statements regarding management's assessment on certain matters relating to provident fund.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of duties of customs, service tax and goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, duty of excise duty and value added taxes as at March 31, 2019 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (₹ in millions)	Amount Paid under protest (₹ in millions)	Period to which the amount relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise Duty (including interest and penalty if applicable)	201.7	30.1	Various Years	Customs Excise and Service Tax Appellate Tribunal (CESTAT)
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	11.3	9.1	FY 2001-02, FY 2003-2004 and FY 2004-2005	High Court
		329.3	136.7	Various Years	Commissioner of Income Tax (CIT) Appeals
		1,314.7	313.3	Various Years	Income Tax Appellate Tribunal (ITAT)
Central and Local Sales Tax Acts	Sales Tax (including interest and penalty if applicable)	45.1	3.7	FY 2007-08 to FY 2011-12	Appellate Revision Board
		10.3	11.7	FY 2006-07 to FY 2014-15	Appellate Tribunal
		160.4	24.1	FY 2010-11 to FY 2014-15	Joint/Deputy Commissioner (Appeal)
		23.6	0.3	FY 2005-06 to FY 2013-14	Objection Authority Department of Trade & Taxes, New Delhi

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government as at the balance sheet date. The Company has not issued debentures as at balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.
- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner

Place: Bengaluru
Date: May 15, 2019

Membership Number: 48125

Balance Sheet

(₹ in millions)

	Notes	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non Current assets			
Property Plant & Equipment	3	2,669.6	2,751.6
Capital Work in Progress	3	621.8	370.6
Investment properties	4	169.9	176.4
Intangible assets	5	1.6	1.7
Financial Assets:			
Loans	6	1,250.0	1,450.0
Other Financial Assets	7	297.0	149.6
Deferred tax assets (net)	8	228.4	175.1
Non-Current Tax Asset (net)	9	514.2	338.1
Other non-current assets	10	101.8	94.7
Total non-current assets		5,854.3	5,507.8
Current assets			
Inventories	11	4,610.0	4,028.8
Financial Assets			
Investments	12	441.7	1,535.2
Trade receivables	13	5,212.6	4,907.6
Cash and cash equivalents	14	1,183.6	1,075.1
Bank balance other than above	15	4,850.6	6,351.3
Loans	6	202.2	127.0
Other financial assets	7	327.2	290.0
Other current assets	10	284.6	615.6
Total current assets		17,112.5	18,930.6
Total Assets		22,966.8	24,438.4
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	16	494.4	513.4
Other Equity			
Reserves & Surplus	17	16,475.0	17,859.7
Total equity		16,969.4	18,373.1
LIABILITIES			
Non-current liabilities			
Employee Benefit Obligations	18	239.5	218.8
Provisions	19	84.2	62.1
Total non-current liabilities		323.7	280.9
Current Liabilities			
Financial Liabilities			
Borrowings	20	900.0	850.0
Trade payables	21	3,491.4	3,897.0
Other financial liabilities	22	723.5	566.7
Employee Benefit Obligations	18	114.5	59.9
Provisions	19	179.2	158.8
Current Tax Liabilities (net)	9	56.8	78.1
Other current liabilities	23	208.3	173.9
Total current liabilities		5,673.7	5,784.4
Total Liabilities		5,997.4	6,065.3
Total Equity & Liabilities		22,966.8	24,438.4
Significant accounting policies	1		
Critical accounting estimates and judgements	2		

The accompanying notes are an integral part of these financial statements

In terms of our report of even date

For **Price Waterhouse & Co Bangalore LLP**
Firm Regn. No. 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Bengaluru
Date: May 15, 2019

For and on behalf of the Board of Directors of SKF India Limited

Rakesh Makhija
Chairman

P. R. Menon **P. M. Telang**
Directors

Manish Bhatnagar
Managing Director

Chandramowli S. **P. Bhandari**
Finance Director Company Secretary

Place: Bengaluru
Date: May 15, 2019

Statement of Profit and Loss

	Notes	For the year ended March 31, 2019	For the year ended March 31, 2018
Revenue from operations	24	30,345.3	28,048.2
Other income	25	923.8	713.6
Total income		31,269.1	28,761.8
Expenses			
Cost of materials consumed	26	7,342.7	6,563.9
Purchase of stock-in-trade	27	10,859.1	9,233.9
Changes in inventories of finished goods, work-in-progress and stock-in-trade	28	(437.2)	270.5
Excise Duty		-	544.1
Employee benefits	29	2,582.8	2,367.9
Depreciation and amortization	30	463.9	457.4
Finance Cost	31	76.6	49.7
Other expenses	32	5,139.3	4,719.5
Total expenses		26,027.2	24,206.9
Profit before tax		5,241.9	4,554.9
Income tax expense :	33		
Current tax		1,923.1	1,667.2
Deferred tax charge / (credit)		(49.8)	(67.8)
Short / (excess) tax provision for earlier years		10.9	(3.4)
Total tax expense		1,884.2	1,596.0
Profit for the year		3,357.7	2,958.9
Other Comprehensive Income			
Items that will not be re-classified to profit and loss			
Remeasurement of post employment benefits obligation		(34.7)	22.7
Income tax (charge) / credit relating to these items		12.1	(7.9)
Other comprehensive income for the year (net of tax)		(22.6)	14.8
Total comprehensive income for the year		3,335.1	2,973.7
Earnings per equity share			
[nominal value of share ₹10 (previous year : ₹10)]			
Basic and Diluted	37	65.7	57.3
Significant accounting policies	1		
Critical accounting estimates and judgements	2		

The accompanying notes are an integral part of these financial statements

In terms of our report of even date

For **Price Waterhouse & Co Bangalore LLP**
Firm Regn. No. 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Bengaluru
Date: May 15, 2019

For and on behalf of the Board of Directors of SKF India Limited

Rakesh Makhija
Chairman

P. R. Menon **P. M. Telang**
Directors

Manish Bhatnagar
Managing Director

Chandramowli S. **P. Bhandari**
Finance Director Company Secretary

Place: Bengaluru
Date: May 15, 2019

Statement of changes in Equity

A) EQUITY SHARE CAPITAL

(₹ in millions)

	Notes	
As at March 31, 2017		527.3
Buy back of equity shares	16	(13.9)
Balance as of March 31, 2018		513.4
Buy back of equity shares	16	(19.0)
Balance as of March 31, 2019		494.4

B) OTHER EQUITY

	Securities premium reserve	Retained earnings	Capital redemption reserve	General reserve	Total Other Equity
Balance as of March 31, 2017	705.1	9,655.0	-	7,224.7	17,584.8
Profit for the year ended March 31, 2018	-	2,958.9	-	-	2,958.9
Other comprehensive income for the year ended March 31, 2018	-	14.8	-	-	14.8
Total comprehensive income for the year ended March 31, 2018	-	2,973.7	-	-	2,973.7
Transactions with owners in their capacity as owners					
Dividend paid (₹10 per share)	-	(513.4)	-	-	(513.4)
Dividend distribution tax	-	(104.5)	-	-	(104.5)
Transfer to General Reserve	-	(1,000.0)	-	1,000.0	-
Buy Back of shares	(705.1)	-	13.9	(1,389.7)	(2,080.9)
Balance as of March 31, 2018	-	11,010.8	13.9	6,835.0	17,859.7
Profit for the year ended March 31, 2019	-	3,357.7	-	-	3,357.7
Other comprehensive income for the year ended March 31, 2019	-	(22.6)	-	-	(22.6)
Total comprehensive income for the year ended March 31, 2019	-	3,335.1	-	-	3,335.1
Transactions with owners in their capacity as owners					
Dividend paid (₹12 per share)	-	(616.1)	-	-	(616.1)
Dividend distribution tax	-	(126.6)	-	-	(126.6)
Transfer to General Reserve	-	-	-	-	-
Buy Back of shares	-	-	19.0	(3,990.0)	(3,971.0)
Transaction cost on Buy back	-	-	-	(6.1)	(6.1)
Balance as of March 31, 2019	-	13,603.2	32.9	2,838.9	16,475.0

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 **Price Waterhouse & Co Bangalore LLP**
Firm Regn. No. 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Bengaluru
Date: May 15, 2019

For and on behalf of the Board of Directors of SKF India Limited

Rakesh Makhija
Chairman

P. R. Menon **P. M. Telang**
Directors

Manish Bhatnagar
Managing Director

Chandramowli S. **P. Bhandari**
Finance Director Company Secretary

Place: Bengaluru
Date: May 15, 2019

Statement of Cash Flow

(₹ in millions)

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from Operating Activities		
Profit before tax	5,241.9	4,554.9
Adjusted for :		
Depreciation / Amortization	463.9	457.4
Net Profit on sale of Fixed Assets	(33.8)	(2.0)
Finance cost	76.6	49.7
Interest income	(743.7)	(598.1)
	(237.0)	(93.0)
Operating Profit before working capital changes	5,004.9	4,461.9
Adjusted for :		
Decrease / (increase) in inventories	(581.2)	137.6
Decrease / (increase) in trade receivables	(305.0)	235.6
Decrease / (increase) in current & non-current assets	125.3	(149.5)
(Decrease) / increase in trade payables	(405.6)	857.8
(Decrease) / increase in other liabilities and provisions	94.3	(144.8)
	(1,072.2)	936.7
Cash generated from operations	3,932.7	5,398.6
Direct taxes paid (net of refunds)	(2,122.9)	(1,726.5)
Net cash flow from Operating Activities (A)	1,809.8	3,672.1
B. Cash flow from Investing Activities		
Sale / (Purchase) of investments	1,093.5	(46.8)
Purchase of Property Plant & Equipment	(456.7)	(504.0)
Sale of Property Plant & Equipment	45.1	9.6
Deposits placed during the year	(6,920.0)	(8,930.0)
Deposits matured during the year	8,420.0	6,190.0
Interest Earned	633.8	458.0
Interest Earned on loan to related party	123.4	124.0
Repayment of loan by related party	125.0	50.0
Net cash used in Investing Activities (B)	3,064.1	(2,649.2)
C. Cash flow from Financing Activities		
Buy Back of equity shares	(3,996.1)	(2,094.8)
Proceeds of Borrowings (net)	50.0	509.7
Dividend paid (including tax on distributed profits)	(742.7)	(617.9)
Finance cost	(76.6)	(49.7)
Net cash used in Financing Activities (C)	(4,765.4)	(2,252.7)
Net changes in Cash and Cash Equivalents (A+B+C)	108.5	(1,229.8)
Cash and Cash Equivalents at beginning of the year	1,075.1	2,304.9
Cash and Cash Equivalents at the end of the year	1,183.6	1,075.1
Net changes in Cash and Cash Equivalents	108.5	(1,229.8)

For **Price Waterhouse & Co Bangalore LLP**
Firm Regn. No. 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Bengaluru
Date: May 15, 2019

For and on behalf of the Board of Directors of SKF India Limited

Rakesh Makhija
Chairman

P. R. Menon **P. M. Telang**
Directors

Manish Bhatnagar
Managing Director

Chandramowli S. **P. Bhandari**
Finance Director Company Secretary

Place: Bengaluru
Date: May 15, 2019

Notes to financial statements

Background

SKF India Limited is a Company, listed in India on recognized stock exchange, limited by shares, incorporated and domiciled in India. The Company is leading supplier of products, solutions & services within rolling bearing, seals, mechatronics, and lubrication system. The Company's manufacturing facility is located at Pune, Bengaluru & Haridwar.

1 SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

currencies at year end exchange rates are recognized 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 income.

1.1 Basis of preparation

- i) Compliance with Ind AS
The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act.
- ii) Historical cost convention
The financial statements have been prepared on a historical cost basis, except for the following:
 - a) certain financial assets and liabilities that are measured at fair value;
 - b) assets held for sale – measured at fair value less cost to sell;
 - c) defined benefit plans – plan assets measured at fair value;

1.2 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of segments, has been identified as the Board of Directors

1.3 Foreign currency translation

- i) Functional and presentation currency
Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Financial statements are presented in Indian Rupee (INR) which is the Company's functional and presentation currency.
- ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign

1.4 Revenue recognition

Ind AS 115 – Revenue from Contracts with Customers, mandatory for reporting periods beginning on or after April 1, 2018, replaces existing revenue recognition requirements. Under the modified retrospective approach, there were no material adjustments required to the retained earnings as at April 1, 2018. Also, the applicability of Ind AS 115 did not have any material adjustments on recognition and measurement of revenue and related items in the financial statements of the Company.

The new standard deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognized when a customer obtains control of a promised good or service and thus has the ability to direct the use and obtain the benefits from the good or service in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

A new five-step process must be applied before revenue can be recognized:

- (i) identify contracts with customers
- (ii) identify the separate performance obligation
- (iii) determine the transaction price of the contract
- (iv) allocate the transaction price to each of the separate performance obligations, and
- (v) recognize the revenue as each performance obligation is satisfied.

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.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over time as it performs if any of the following criteria is met:

- (a) The customer simultaneously consumes the benefits as the Company performs, or
- (b) The customer controls the work-in-progress, or
- (c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

If none of the criteria above are met, the Company recognized revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

Contracts are modified to account for changes in contract specifications and requirements. The Company considers contract modifications to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price and our measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis.

Revenue recognized at a point-in-time :-

For sale of products and sale of services, revenue is recognized at point in time when control of goods is transferred and service is rendered to the customer - based on delivery terms, payment terms, customer acceptance and other indicators of control as mentioned above.

1.5 Government grants

Grants from the government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

1.6 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.

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 realized or the deferred income tax liability is settled.

Deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize 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 realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in profit or loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

1.7 Leases

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company as lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

The respective leased assets are included in the balance sheet based on their nature.

1.8 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 recognized 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.

1.9 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.

1.10 Trade receivables

Trade receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

1.11 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.

1.12 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.

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Where discounted cash flow techniques are used, the future cash flows are determined (if not stated explicit in the contract) based on the best assessment by management and discounted using the market interest rate for similar instruments. Financial liabilities are measured at amortized cost using the effective interest method.

Financial assets are derecognized when the contractual rights to the cash flow have expired or been transferred together with substantially all risks and rewards. Financial liabilities are derecognized when they are extinguished.

Investment in government securities that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized 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.

1.13 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 recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

The Company has adopted deemed cost of Property, plant and equipment (PPE) as its carrying value as per earlier GAAP.

The useful lives are:

Particulars	Useful Life (in years)
Buildings	33
Plant and equipments	5/10/14/16/20
Furniture and fixtures	4
Office equipments	3/4
Vehicles	5

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss within other income.

The useful lives are reviewed by the management at each Balance Sheet date and revised, if appropriate. In case of a revision, the unamortized depreciable amount is charged over the revised remaining useful life.

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 capitalized 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 derecognized.

Investment properties are depreciated using the straight-line method over their estimated useful lives. Investment properties generally have a useful life of 33 years. The

useful life has been determined based on technical evaluation performed by the management's expert.

Intangible assets

Intangible assets are stated at initial cost less any accumulated amortization and any impairment. Amortization is made on a straight line basis over the estimated useful lives and begins once the asset is ready for its intended use. The useful lives are based to a large extent on historical experience, the expected application, as well as other individual characteristics of the asset. The useful lives are:

- Software in use - 3 years

1.14 Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are paid as per the terms of payments. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

1.15 Borrowings

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss as other income.

1.16 Provisions

Provisions for legal claims, service warranties, volume discounts and returns are recognized 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 recognized 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 recognized as interest expense.

1.17 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 recognized in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.
- ii) Other long-term employee benefit obligations
The liabilities for earned leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognized in profit or loss.
- iii) Post-employment obligations
The company operates the following post-employment schemes:
- defined benefit plans such as gratuity and provident fund (for employees who are members of SKF India Limited Provident Fund Scheme)
 - defined contribution plans such as superannuation and provident fund (for other employees who are not members of SKF India Limited Provident Fund Scheme)

Defined Benefit Plans

The liability or asset recognized in the balance sheet in respect of gratuity and provident fund is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

With respect to employees who are members of SKF India Limited Provident Fund Scheme ('the Trust') contribution for provident fund to the Trust is a defined benefit plan as the Company has an obligation to make good the shortfall, if any, between the return from investments made by the Trust and notified interest rate. Both the employee and the Company make monthly contributions to the provident

fund plan equal to a specified percentage of the employee's salary. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the government.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized 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 recognized as an expense in the Statement of Profit and Loss in the period in which the contribution is due. For employees other than members of SKF India Limited Provident Fund Scheme, both the Company's and employees' contribution is paid to Regional Provident Fund Commissioner (RPFC) on a monthly basis. The Company has no further payment obligations once the contributions have been paid.

- iv) Bonus Plans
The Company recognizes a liability and an expense for bonuses. The company recognizes a provision where contractually obliged or where there is a past practice that has created a constructive obligation.
- v) Termination benefits
Voluntary Retirement Scheme costs are charged off to the Statement of Profit and Loss in the year in which they are incurred.

1.18 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.

1.19 Dividends

Provision is made for the amount of any dividend declared, being appropriately authorized and not paid as at the end of the reporting period.

1.20 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.

1.21 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise stated.

2 SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. This note provide an overview of the areas that involve a higher degree of judgement or complexity and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is mentioned below.

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

2(A) Significant Judgement**a) Legal Contingency**

The Company has received orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable 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 of a loss may be appropriate.

2(B) Significant estimate**a) Impairment of financial assets**

The impairment provisions for financial assets disclosed under note 34C are based on assumptions about risk of default and expected loss rates and timing of the cash flows. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

b) Fair valuation of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. See Note 33 for further disclosures.

c) Defined benefit plan

The cost of the defined benefit gratuity plan, other retirement benefits, the present value of the gratuity obligation and other retirement benefit obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on Indian Assured Lives Mortality (2006-08) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 38(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 capitalization method as per Ind AS 113- Fair value measurement

3 PROPERTY PLANT & EQUIPMENT

(₹ in millions)

Description	Freehold Land	Freehold Building	Furniture & Fixtures *	Office Equipment	Plant & Machinery *	Vehicles	Total	Capital work in progress
Year ended March 31, 2018								
Gross carrying amount as at April 1, 2017	269.3	528.5	117.4	50.1	2,961.7	129.2	4,056.2	352.1
Additions	-	11.2	20.4	4.5	331.5	37.4	405.0	423.5
Disposals	-	-	(10.6)	(0.5)	(1.5)	(29.8)	(42.4)	-
Transfers	-	-	-	-	-	-	-	(405.0)
Closing gross carrying amount	269.3	539.7	127.2	54.1	3,291.7	136.8	4,418.8	370.6
Accumulated Depreciation as at April 1, 2017	-	44.9	92.7	19.7	1,042.0	52.5	1,251.8	-
Depreciation charged during the year	-	19.7	26.4	1.9	376.1	26.1	450.2	-
Disposal	-	-	(10.5)	(0.5)	(0.8)	(23.0)	(34.8)	-
Closing accumulated depreciation	-	64.6	108.6	21.1	1,417.3	55.6	1,667.2	-
Net carrying amount as at March 31, 2018	269.3	475.1	18.6	33.0	1,874.4	81.2	2,751.6	370.6
Year ended March 31, 2019								
Gross carrying amount as at April 1, 2018	269.3	539.7	127.2	54.1	3,291.7	136.8	4,418.8	370.6
Additions	-	17.5	4.7	12.1	318.2	33.2	385.7	636.9
Disposals	(0.1)	-	-	-	(130.4)	(43.4)	(173.9)	-
Transfers	-	-	-	-	-	-	-	(385.7)
Closing gross carrying amount	269.2	557.2	131.9	66.2	3,479.5	126.6	4,630.6	621.8
Accumulated Depreciation as at April 1, 2018	-	64.6	108.6	21.1	1,417.3	55.6	1,667.2	-
Depreciation charged during the year	-	20.0	19.1	4.4	383.3	29.6	456.4	-
Disposal	-	-	-	-	(128.2)	(34.4)	(162.6)	-
Closing accumulated depreciation	-	84.6	127.7	25.5	1,672.4	50.8	1,961.0	-
Net carrying amount as at March 31, 2019	269.2	472.6	4.2	40.7	1,807.1	75.8	2,669.6	621.8

* The Company has leased following assets to SKF Technologies India Private Limited (related party) under operating lease. The carrying amount of the assets given on operating lease and depreciation thereon for the period are:

(₹ in millions)

Description	Plant & Machinery	Furniture & Fixtures
Year ended March 31, 2018		
Gross carrying amount as at April 1, 2017	53.0	6.4
Closing gross carrying amount	53.0	6.4
Accumulated Depreciation as at April 1, 2017	15.0	2.7
Depreciation charged during the year	7.4	1.2
Closing accumulated depreciation	22.4	3.9
Net carrying amount as at March 31, 2018	30.6	2.5
Year ended March 31, 2019		
Gross carrying amount as at April 1, 2018	53.0	6.4
Addition	-	0.6
Closing gross carrying amount	53.0	7.0
Accumulated Depreciation as at April 1, 2018	22.4	3.9
Depreciation charged during the year	7.4	0.6
Closing accumulated depreciation	29.8	4.5
Net carrying amount as at March 31, 2019	23.2	2.5

4 INVESTMENT PROPERTIES

Description	March 31, 2019	March 31, 2018
Gross carrying amount		
Opening gross carrying amount	197.3	197.3
Addition	-	-
Closing gross carrying amount	197.3	197.3
Accumulated depreciation		
Opening accumulated depreciation	20.9	14.5
Depreciation	6.5	6.4
Closing accumulated depreciation	27.4	20.9
Net carrying amount	169.9	176.4

Amount recognized in profit & loss for investment properties given on operating lease to related party

Description	March 31, 2019	March 31, 2018
Rental Income	32.0	31.9
Depreciation	6.5	6.4
Profit from Investment properties	25.5	25.5

Leasing arrangements

Minimum lease payments receivable under non-cancellable operating leases of investment properties are as follows:

Description	March 31, 2019	March 31, 2018
Within one year	31.2	31.2
Later than one year but less than 5 year	54.6	85.8

Fair Value

Description	March 31, 2019	March 31, 2018
Investment properties	399.0	393.0

The company obtains independent valuations for its investment properties. Fair value of investment property is arrived using Income Approach - Rent Capitalization method. It is determined by capitalizing the market lease rent at an appropriate rate (yield) as on date of valuation.

5 INTANGIBLE ASSETS

(₹ in millions)

Description	Computer Software
Year ended March 31, 2018	
Gross carrying amount as at April 1, 2017	1.9
Addition	1.0
Closing gross carrying amount	2.9
Accumulated amortization as at April 1, 2017	0.4
Amortized during the year	0.8
Closing accumulated amortization	1.2
Net carrying amount as at March 31, 2018	1.7
Year ended March 31, 2019	
Gross carrying amount as at April 1, 2018	2.9
Addition	0.9
Closing gross carrying amount	3.8
Accumulated amortization as at April 1, 2018	1.2
Amortized during the year	1.0
Closing accumulated amortization	2.2
Net carrying amount as on March 31, 2019	1.6

6 FINANCIAL ASSETS

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Loans				
Secured, considered good				
Loan to related party *	202.2	1,250.0	127.0	1,450.0
	202.2	1,250.0	127.0	1,450.0

(*)Loan given to SKF Technologies India Private Limited (a fellow subsidiary) with original repayment starting from financial year 2014 onwards, as amended last year.

The said loan together with interest is secured by first charge by way of hypothecation on all the fixed assets of the borrower.

Loan is considered to be recoverable considering favourable loan to security ratio, no default in payment in the past, improved operational performance of the borrower, support by the borrower's holding company in the past & supported by reasonable assumption used for future cash flow.

7 OTHER FINANCIAL ASSETS

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Security Deposits	-	93.8	-	88.3
EMD & other deposits	-	202.6	-	60.7
Other receivables :-				
Related party (refer note :- 45 (iii))	162.8	-	112.0	-
Other than related party	11.3	0.6	11.2	0.6
Interest accrued on fixed deposits with banks	153.1	-	166.8	-
	327.2	297.0	290.0	149.6

8 DEFERRED TAX (ASSET) / LIABILITY (NET)

(₹ in millions)

	March 31, 2019	March 31, 2018
Deferred tax assets		
Provision for employee benefits	1.0	1.2
Provision for doubtful trade receivables	70.3	62.8
Other timing differences	228.5	191.5
	299.8	255.5
Deferred tax liabilities		
Depreciation	71.4	80.4
	71.4	80.4
Net deferred tax asset	228.4	175.1

Movements in deferred tax (asset)/liabilities net

	Provision for employee benefits	Provision for doubtful trade receivables	Other timing differences	Depreciation	Total
As at April 1, 2017	92.8	37.0	72.4	(87.0)	115.2
(Charged)/credited :					
- to profit and loss a/c	6.2	25.8	29.1	6.6	67.8
- to other comprehensive income	(7.9)	-	-	-	(7.9)
As at March 31, 2018	91.1	62.8	101.5	(80.4)	175.1
(Charged)/credited :					
- to profit and loss a/c	(3.7)	7.6	28.3	9.0	41.2
- to other comprehensive income	12.1	-	-	-	12.1
As at March 31, 2019	99.5	70.4	129.8	(71.4)	228.4

9 CURRENT TAX ASSET /(LIABILITY) (NET)

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Tax Assets/(Liabilities) (net of provision)	(56.8)	514.2	(78.1)	338.1
	(56.8)	514.2	(78.1)	338.1

Movement of Tax

	March 31, 2019	March 31, 2018
Opening Balance (Tax Asset /(Liability) (Net))	260.0	197.3
Add: Taxes paid	2,122.9	1,726.5
Less: Current tax payable	(1,925.5)	(1,663.8)
Closing Balance	457.4	260.0

10 OTHER ASSETS

(₹ in millions)

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Capital Advance	-	24.7	-	25.0
Prepaid Expenses	43.5	-	42.0	-
Advances for supply of goods and rendering of services	95.1	-	262.8	-
Export benefits / duty entitlements	102.9	-	93.8	-
Balances with Sales tax / Excise authorities	8.2	-	174.7	-
Other receivables *	34.9	77.1	42.3	69.7
	284.6	101.8	615.6	94.7

* includes amount paid under protest to various Government authorities and MEIS/DEPB licenses on hand.

11 CURRENT ASSETS

	March 31, 2019	March 31, 2018
Raw Materials and Bought-Out Components	833.3	730.6
including material in transit ₹72.6 million (As on March 31, 2018 ₹79.2 million)		
Stores and Spares	492.0	450.7
including material in transit ₹14.1 million (As on March 31, 2018 ₹19.3 million)		
Work-in-progress	120.1	122.5
Finished Products	3,164.6	2,725.0
Including material in transit ₹795.2 million (As on March 31, 2018 ₹805 million)		
	4,610.0	4,028.8

12 CURRENT INVESTMENT

	March 31, 2019	March 31, 2018
Quoted		
Investment in Government of India treasury bills	441.7	1,535.2
	441.7	1,535.2

13 TRADE RECEIVABLES

	March 31, 2019	March 31, 2018
Current		
Trade receivables other than related party	4,990.7	4,607.1
Receivables from related party (Refer note 45 (iii))	423.2	481.8
Less : Allowance for doubtful receivables	(201.3)	(181.3)
Total Receivables	5,212.6	4,907.6
Break up of security details		
Unsecured, considered good	5,212.6	4,907.6
Doubtful	201.3	181.3
Total	5,413.9	5,088.9
Allowance for doubtful debts	(201.3)	(181.3)
Total Trade receivables	5,212.6	4,907.6

14 CASH AND CASH EQUIVALENTS

	(₹ in millions)	
	March 31, 2019	March 31, 2018
Cash on hand	0.5	0.5
Balances with Banks		
- On EEFC Account	45.1	19.5
On Deposit Account (with original maturity of 3 months or less)	1,138.0	1,055.1
Cash & Bank Balances	1,183.6	1,075.1

15 BANK BALANCES OTHER THAN THE ABOVE

	March 31, 2019	March 31, 2018
Bank deposits with original maturity of more than 3 months and remaining maturity of less than 12 months	4,830.0	6,330.0
Unclaimed Dividend Account*	20.6	21.3
	4,850.6	6,351.3

* Unclaimed dividend account represents held for dividend remittance and hence are not available for use.

16 EQUITY SHARE CAPITAL

	No of shares (in million)	Amount
Authorized Equity share capital		
As at April 1, 2017	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2018	100.0	1,000.0
Changes during the year	-	-
As at March 31, 2019	100.0	1,000.0
Movement in Equity share capital		
As at April 1, 2017	52.7	527.3
Buy back during the year	(1.4)	(13.9)
As at March 31, 2018	51.3	513.4
Buy back during the year	(1.9)	(19.0)
As at March 31, 2019	49.4	494.4

The Company has only one class of equity shares having a par value of ₹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.

Shares held by holding company and their subsidiaries

	March 31, 2019		March 31, 2018	
	Number (millions)	Amount	Number (millions)	Amount
Equity shares of ₹10 each fully paid up held by				
(a) Holding company				
Aktiebolaget SKF (AB SKF)	22.7	226.7	23.4	234.2
(b) Subsidiaries of holding company				
SKF U.K. Limited	3.1	31.3	3.2	32.3
SKF Forvaltning AB	0.2	1.8	0.2	1.9
	26.0	259.8	26.8	268.4

16 EQUITY SHARE CAPITAL (Contd.)

(₹ in millions)

Particulars of shareholders holding more than 5% shares of a class of shares

	March 31, 2019		March 31, 2018	
	Number (millions)	% of total shares in the class	Number (millions)	% of total shares in the class
Equity shares of ₹10 each fully paid up held by				
Aktiebolaget SKF, holding company	22.7	45.8%	23.4	45.6%
SKF U.K. Limited, fellow subsidiary company	3.1	6.3%	3.2	6.3%

Buy Back of shares

Pursuant to the Regulations 29(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and approval of the Board of Directors for buy-back of up to 1,900,000 equity shares of the Company for an aggregate amount not exceeding ₹3990 million, the Company bought back 1,900,000 equity shares which were tendered by eligible shareholders and extinguished the equity shares bought on February 18, 2019. An amount of ₹3996 million from General Reserve were used including ₹6.36 million towards transaction costs of buyback of shares.

The Company has not allotted any bonus shares during 5 years immediately preceding March 31, 2019.

17 RESERVES AND SURPLUS

	March 31, 2019	March 31, 2018
Securities premium account	-	-
General reserve	2,838.9	6,835.0
Capital redemption reserve	32.9	13.9
Retained earnings	13,603.2	11,010.8
	16,475.0	17,859.7
Securities premium account		
At the commencement of the year (Premium on issue of Equity Shares)	-	705.1
Utilized for Buy Back of shares	-	(705.1)
Closing Balance	-	-
General reserve		
At the commencement of the year	6,835.0	7,224.7
Amount transferred from Profit and Loss Balance	-	1,000.0
Amount used for Buy back of shares	(3,990.0)	(1,389.7)
Transaction cost on Buy back of shares	(6.1)	-
Closing Balance	2,838.9	6,835.0
Capital redemption reserve		
At the commencement of the year	13.9	-
Addition during buy back	19.0	13.9
Closing Balance	32.9	13.9
Surplus (Profit and loss balance)		
At the commencement of the year	11,010.8	9,655.0
Profit for the year	3,357.7	2,958.9
Other comprehensive income recognized directly in retained earning :-		
Remeasurements of post-employment benefit obligation, net of tax	(22.6)	14.8
Dividend on Equity shares ₹12 per share (previous year ₹10 per share)]	(616.1)	(513.4)
Tax on dividend as above	(126.6)	(104.5)
Transfer to General Reserve	-	(1,000.0)
Closing Balance	13,603.2	11,010.8

18 EMPLOYEE BENEFIT OBLIGATION

(₹ in millions)

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Compensated absences	42.4	239.5	41.0	218.8
Provision for Gratuity (Refer note 38)	72.1	-	18.9	-
	114.5	239.5	59.9	218.8

19 PROVISIONS

	March 31, 2019		March 31, 2018	
	Current	Non-Current	Current	Non-Current
Disputed statutory and other matters	-	66.5	-	41.5
Warranty	1.5	6.9	2.9	3.7
Coupons & Incentives	177.7	10.8	155.9	16.9
	179.2	84.2	158.8	62.1

Movements in provisions

Movements in each class of provision during the financial year

	Disputed statutory and other matters	Warranty	Coupons & Incentives	Total
As on April 1, 2017	41.8	7.2	161.5	210.5
Provision made during the year	-	3.0	359.0	362.0
Provision utilized during the year	-	(3.6)	(347.7)	(351.3)
Reversal of provision during the year	(0.3)	-	-	(0.3)
As on March 31, 2018	41.5	6.6	172.8	220.9
Provision made during the year	25.0	9.2	404.8	439.0
Provision utilized during the year	-	(7.4)	(360.2)	(367.6)
Reversal of provision during the year	-	-	(28.9)	(28.9)
As on March 31, 2019	66.5	8.4	188.5	263.4

- (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/others. Above provisions are affected by numerous uncertainties and management has taken all efforts to make a best estimate. Timing of outflow of resources will depend upon timing of decision of cases.
- (ii) Provision for warranties: A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of a technical evaluation and past experience regarding failure trends of products and costs of rectification or replacement. The timing and amount of cash flows that will arise from these matters will be determined at the time of receipt of claims.
- (iii) The provision for other obligations is on account of coupons given on products sold by the Company and other retailers and distributors incentive schemes. The provision for coupons is based on the historical data/ estimated figures. The timing and amount of the cash flows that will arise will be determined at the time of receipt of claims from customers, which is generally upto 18 months.

20 FINANCIAL LIABILITIES

	(₹ in millions)	
	March 31, 2019	March 31, 2018
Current Borrowings -		
UnSecured		
Pre-shipment rupee export credit (refer note 43 (ii))	900.0	850.0
	900.0	850.0

21 TRADE PAYABLES

Current		
i) Outstanding dues of micro and small enterprises (refer note 40)	4.5	1.8
ii) Outstanding dues of creditors other than micro and small enterprises & related parties (refer note 40)	1,018.0	1,304.8
iii) Payable to related parties (Refer note 45 (iii))	2,468.9	2,590.4
	3,491.4	3,897.0

22 OTHER CURRENT FINANCIAL LIABILITIES

Salaries and Incentives	219.7	213.3
Liabilities for dealer incentives	230.4	264.8
Unclaimed dividend *	20.6	21.3
Payables on account of capital purchases	212.7	31.9
Other liabilities **	40.1	35.4
	723.5	566.7

* There is no amount due and outstanding as at the balance sheet to be credited to Investor Education and Protection Fund

** includes amount payable towards retention amount for trade payables, etc.

23 OTHER CURRENT LIABILITIES

Statutory dues payable	199.3	156.7
Advances received from customers	9.0	17.2
	208.3	173.9

24 REVENUE FROM OPERATIONS

	(₹ in millions)	
	For year ended March 31, 2019	For year ended March 31, 2018
Revenue from contracts with customers :-		
- Sale of products (including Excise duty till June 30, 2018) :		
Manufactured goods	16,313.4	16,512.2
Traded goods	13,325.7	10,846.7
Sale of products (total)	29,639.1	27,358.9
- Sale of services	320.6	327.3
Other operating revenue :		
Scrap sales	34.0	26.4
Technical and other service income	253.7	202.5
Miscellaneous Operating Income (includes export benefits etc)	97.9	133.1
	30,345.3	28,048.2

25 OTHER INCOME

	For year ended March 31, 2019	For year ended March 31, 2018
Interest Income from Financial assets at amortized cost		
- Fixed deposits with banks	620.1	474.6
- On loan given to related party	123.6	123.5
Rental income	32.0	31.9
Discount on license purchased	6.7	17.2
Miscellaneous Income	65.6	64.4
Profit on sale of Assets (net)	33.8	2.0
Net Exchange Gain	42.0	-
	923.8	713.6

26 COST OF MATERIAL CONSUMED

Inventory at the beginning of the year	730.6	584.2
Purchases during the year	7,445.4	6,710.3
Inventory at the end of the year	833.3	730.6
Cost of material consumed	7,342.7	6,563.9

27 PURCHASE OF STOCK IN TRADE

Purchases of traded goods	10,859.1	9,233.9
	10,859.1	9,233.9

28 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Increase in inventory of finished goods :		
Opening inventory	1,226.0	1,288.3
Less : Closing inventory	1,509.0	1,226.0
	(283.0)	62.3
Increase in inventory of work in progress :		
Opening inventory	122.5	145.8
Less : Closing inventory	120.1	122.5
	2.4	23.3
Increase in inventory of traded goods :		
Opening inventory	1,499.0	1,683.9
Less : Closing inventory	1,655.6	1,499.0
	(156.6)	184.9
	(437.2)	270.5

29 EMPLOYEE BENEFITS

(₹ in millions)

	For year ended March 31, 2019	For year ended March 31, 2018
Salaries, Wages and Bonus	2,065.4	1,875.5
Contribution to Provident and Other Funds (refer note 38)	122.4	103.3
Gratuity (refer note 38)	37.5	41.6
Leave compensation	58.6	22.9
Welfare Expenses	298.9	324.6
	2,582.8	2,367.9

30 DEPRECIATION AND AMORTIZATION

Depreciation of Property, Plant & Equipment	456.4	450.2
Amortization of Intangible assets	1.0	0.8
Depreciation of Investment property	6.5	6.4
	463.9	457.4

31 FINANCE COST

Interest on Pre shipment rupee export credit loan	76.6	49.7
	76.6	49.7

32 OTHER EXPENSES

Consumption of stores and spare parts	839.7	774.2
Excise duty related to increase/(decrease) in inventory of finished goods	-	(229.5)
Power and Fuel	510.4	490.2
Repairs		
- Building	16.1	22.8
- Machinery	452.9	438.7
Royalty	489.7	477.4
IT Services	494.7	431.3
Trade mark fees	315.8	310.1
Rent	99.1	75.8
Insurance	31.7	26.7
Rates and Taxes	41.3	51.9
Travelling	302.9	288.7
Legal and professional fees	397.8	284.5
Payment to auditors (Refer note below)	7.7	9.8
Advertising and sales promotion	122.2	132.2
Logistic Cost	426.9	411.7
Provision for doubtful trade receivables	41.4	47.0
Bad debts written off	1.8	0.3
Directors' Commission / Sitting Fees	10.7	9.7
Expenditure incurred for Corporate Social Responsibility (Refer note below)	82.5	72.2
Net Exchange Loss	-	120.0
Miscellaneous expenses	454.0	473.8
	5,139.3	4,719.5

32 OTHER EXPENSES (Contd.)

(₹ in millions)

	For year ended March 31, 2019	For year ended March 31, 2018
Note : Payments to auditors		
As auditor		
- Statutory audit	4.1	4.4
- Tax audit	0.9	0.9
- Other audit services	2.7	4.5
	7.7	9.8
Corporate social responsibility expenditure		
Contribution to Education	54.2	41.5
Contribution to Women Empowerment	8.4	6.4
Contribution to Others (including administrative charges)	19.9	24.3
Total	82.5	72.2
Amount required to be spent as per Section 135 of the Act	81.7	71.8
Amount spent during the year on		
(i) Construction/acquisition of an Assets	-	-
(ii) On purpose other than (i) above	82.5	72.2
	82.5	72.2

33 INCOME TAX EXPENSE

(a) Current Tax		
Current tax on profit during the year	1,923.1	1,667.2
Adjustments for current tax of prior periods	10.9	(3.4)
Total Current Tax expense	1,934.0	1,663.8
Deferred Tax		
Deferred tax expense	(49.8)	(67.8)
Income tax expense	1,884.2	1,596.0
(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:		
Profit from continuing operations before income tax expense	5,241.9	4,554.9
Tax at the Indian tax rate of 34.94%	1,831.5	1,576.5
Tax effect of amounts which are not deductible (taxable) in calculating taxable income		
Others	52.7	19.5
Income tax expense	1,884.2	1,596.0
(c) Tax impact of remeasurement of post employment benefits obligation recognized in OCI	12.1	(7.9)

34 FAIR VALUE MEASUREMENT

(₹ in millions)

Financial instruments by category

The carrying value and fair value of financial instrument by categories were as follows :

	March 31, 2019		March 31, 2018	
	Amortized Cost	Carrying Amount	Amortized Cost	Carrying Amount
Financial assets				
Investment in Government securities	441.7	441.7	1,535.2	1,535.2
Trade receivables	5,212.6	5,212.6	4,907.6	4,907.6
Cash and bank balances	6,034.2	6,034.2	7,426.4	7,426.4
Loan to related party	1,452.2	1,452.2	1,577.0	1,577.0
Other Financial assets	624.2	624.2	439.6	439.6
Total Financial Assets	13,764.9	13,764.9	15,885.8	15,885.8
Financial Liabilities				
Borrowings	900.0	900.0	850.0	850.0
Trade Payables	3,491.4	3,491.4	3,897.0	3,897.0
Other Financial Liabilities	723.5	723.5	566.7	566.7
Total Financial Liabilities	5,114.9	5,114.9	5,313.7	5,313.7

The fair values of all financial instruments carried at amortized cost are not materially different from their carrying amounts since they are either short-term in nature or the interest rate applicable are equal to the current market rate of interest.

There are no financial instruments measured under the category of Fair value through Profit and Loss account and Fair value through OCI.

i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are measured at amortized 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 maximize 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.

34 FAIR VALUE MEASUREMENT (Contd.)

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as at March 31, 2019

(₹ in millions)

	Level 1	Level 2	Level 3	Total March 31, 2019
Financial assets				
Investment in Government securities	441.7	-	-	441.7
Trade receivables	-	-	5,212.6	5,212.6
Cash and bank balances	-	-	6,034.2	6,034.2
Loan to related party	-	-	1,452.2	1,452.2
Other Financial assets	-	-	624.2	624.2
Total Financial assets	441.7	-	13,323.2	13,764.9
Financial Liabilities				
Borrowings	-	-	900.0	900.0
Trade Payables	-	-	3,491.4	3,491.4
Other Financial Liabilities	-	-	723.5	723.5
Total Financial liabilities	-	-	5,114.9	5,114.9

Assets and liabilities which are measured at amortized cost for which fair values are disclosed as at March 31, 2018

	Level 1	Level 2	Level 3	Total March 31, 2018
Financial assets				
Investment in Government securities	1,535.2	-	-	1,535.2
Trade receivables	-	-	4,907.6	4,907.6
Cash and bank balances	-	-	7,426.4	7,426.4
Loan to related party	-	-	1,577.0	1,577.0
Other Financial assets	-	-	439.6	439.6
Total Financial assets	1,535.2	-	14,350.6	15,885.8
Financial Liabilities				
Borrowings	-	-	850.0	850.0
Trade Payables	-	-	3,897.0	3,897.0
Other Financial Liabilities	-	-	566.7	566.7
Total Financial liabilities	-	-	5,313.7	5,313.7

ii) Valuation processes

The Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

35 FINANCIAL RISK MANAGEMENT

In the course of its business, the Company is exposed primarily to market risk, liquidity risk and credit risk, which may impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as credit risks. The risk management policy is approved by the Board of Directors.

The Risk Management framework aims to create a stable business planning environment by reducing the impact of market related risks, credit risks & currency fluctuations on the Company's earnings.

35 (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 recognized 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 follows

	March 31, 2019	March 31, 2018
	(₹ in millions)	
Financial Assets		
Trade Receivables		
EURO	121.3	153.0
USD	124.2	107.5
SEK	64.8	96.0
SGD	22.5	56.4
CNY	13.3	38.4
AUD	7.4	-
Total exposure to foreign currency assets	353.5	451.3
Bank balance in EEFC		
EURO	-	1.4
USD	44.2	17.1
Total exposure to foreign currency assets	397.7	469.8
Financial Liabilities		
Trade Payables		
EURO	2,141.5	1,947.7
USD	41.0	356.3
SEK	3.1	5.6
GBP	0.5	0.5
YEN	10.2	13.7
CHF	2.3	0.9
Total exposure to foreign currency risk (liabilities)	2,198.6	2,324.7

35 (A) MARKET RISK (Contd.)**ii) Sensitivity**

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in millions)

	Impact on profit after tax	
	March 31, 2019	March 31, 2018
EURO sensitivity		
INR/EURO increased by 5%	(101.0)	(89.7)
INR/EURO decreased by 5%	101.0	89.7
USD sensitivity		
INR/USD increased by 5%	4.2	(12.4)
INR/USD decreased by 5%	(4.2)	12.4
SEK sensitivity		
INR/SEK increased by 5%	3.1	4.5
INR/SEK decreased by 5%	(3.1)	(4.5)
SGD sensitivity		
INR/SGD increased by 5%	1.1	2.8
INR/SGD decreased by 5%	(1.1)	(2.8)

iii) Interest rate risk

The Company's borrowings are carried at amortized cost.

The loan to related party is carried at amortized 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.

35 (B) LIQUIDITY RISK

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to pay out obligations. Due to the dynamic nature of the underlying businesses, Company ensures availability of funds by managing the investments.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet this. The Company invests its surplus funds in bank fixed deposit and in quoted government debt securities.

Maturities of financial liabilities

All the financial liabilities as on March 31, 2019 and March 31, 2018 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.

35 (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

35 (C) CREDIT RISK (Contd.)

- 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 are based on scrutiny provisions for Bad Debts are made on specific identification basis.

Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk, being the total of the carrying amount of balances with bank, short term deposits with banks, trade receivables and other financial assets is disclosed at the end of the each reporting period. Refer relevant notes for details.

Financial assets that are neither past due nor impaired

None of the Company's cash equivalents, including time deposits with banks, are past due or impaired. Regarding trade receivables and other receivables, and other financial assets that are neither impaired nor past due, there were no indications at the end of each reporting period, that defaults in payment obligations will occur.

The Company follows 12 months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date) model for recognition of impairment loss on financial assets measured at amortized 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.

(₹ in millions)

	As at March 31, 2019			As at March 31, 2018		
	Gross	Allowance	Net	Gross	Allowance	Net
Trade receivables						
Period (in months)						
Not due	4,426.0	-	4,426.0	4,060.5	-	4,060.5
Overdue up to 3 months	786.6	-	786.6	772.4	-	772.4
Overdue 3-6 months	50.2	(50.2)	-	107.7	(33.0)	74.7
Overdue more than 6 months	151.1	(151.1)	-	148.3	(148.3)	-
Total	5,413.9	(201.3)	5,212.6	5,088.9	(181.3)	4,907.6

Reconciliation of loss allowance provision – Trade receivables

Amount (₹ in million)

Loss allowance on April 1, 2017	106.9
Change in loss allowance	74.4
Loss allowance on March 31, 2018	181.3
Change in loss allowance	20.0
Loss allowance on March 31, 2019	201.3

36 CAPITAL MANAGEMENT

(a) Risk management

The company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company determines the amount of capital required on the basis of annual operating plans and long-term product and other strategic investment plans. The funding requirements are met through equity and short-term borrowings.

(b) Dividends

	March 31, 2019	March 31, 2018
(₹ in millions)		
i) Equity shares		
Dividend paid		
March 31, 2018 (₹12 per share)	616.1	
March 31, 2017 (₹10 per share)		513.0
ii) Dividends not recognized at the end of reporting period	593.3	616.1
In addition to the dividend in point (i) above, post year end the directors have recommended the payment of a final dividend of INR 12 per fully paid equity share (31 March 2018 – INR 12). This proposed dividend is subject to the approval of shareholders in the Annual General meeting		

37 EARNINGS PER SHARE (EPS)

Basic and diluted earnings per share

The earnings per share (basic & diluted), computed as per the requirement under Indian Accounting Standard (IND AS 33) on 'Earnings per Share' is as under:

	For year ended March 31, 2019	For year ended March 31, 2018
Profit attributable to Equity Shareholders (₹ in millions)	3,357.7	2,958.9
Basic/Weighted average number of Equity Shares outstanding during the year	51,124,538	51,647,444
Nominal value of Equity Shares (₹)	10.0	10.0
Basic Earnings per share (₹)	65.7	57.3
Diluted Earnings per share (₹)	65.7	57.3

38 EMPLOYEE BENEFITS: POST-EMPLOYMENT BENEFIT PLANS

I Defined contribution plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is a defined contribution plan. The Company has no obligations other than to make the specified contributions in case of employees not covered under SKF Bearings India Limited, Provident Fund Scheme. The contributions are charged to the profit and loss as they accrue. The amount recognized as an expense towards contribution to Provident Fund and Superannuation fund is as follows:

Particulars	For year ended March 31, 2019	For year ended March 31, 2018
Employee Provident Fund - Regional Provident Fund Contribution	38.8	33.3
Superannuation fund	32.9	34.3
	71.7	67.6

38 EMPLOYEE BENEFITS: POST-EMPLOYMENT BENEFIT PLANS (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 summarizes the position of assets and obligations.

(₹ in millions)

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2017	828.7	751.0	77.7
Current service cost	38.5	-	38.5
Interest cost/income	59.0	54.1	4.9
Total amount recognized in profit & loss	97.5	54.1	43.4
Remeasurements			
Actual return on plan assets less interest on plan assets	-	3.8	(3.8)
Changes in demographic assumptions	(9.8)	-	(9.8)
(Gain)/loss from change in financial assumptions	(16.6)	-	(16.6)
Experience (gains)/losses	5.9	-	5.9
Total amount recognized in other comprehensive income	(20.5)	3.8	(24.3)
Employer contributions	-	77.9	(77.9)
Benefit payments	(50.1)	(50.1)	-
Closing balance as on March 31, 2018	855.6	836.7	18.9
Opening balance as on April 1, 2018	855.6	836.7	18.9
Current service cost	34.9	-	34.9
Interest cost/income	61.9	61.6	0.3
Total amount recognized in profit & loss	96.8	61.6	35.2
Remeasurements			
Actual return on plan assets less interest on plan assets	-	12.1	(12.1)
Changes in demographic assumptions	(0.1)	-	(0.1)
(Gain)/loss from change in financial assumptions	5.7	-	5.7
Experience (gains)/losses	43.3	-	43.3
Total amount recognized in other comprehensive income	48.9	12.1	36.8
Employer contributions	-	18.9	(18.9)
Benefit payments	(83.0)	(83.0)	-
Closing balance as on March 31, 2019	918.3	846.3	72.0

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2019	March 31, 2018
Present value of funded obligations	918.3	855.6
Fair value of plan assets	846.3	836.7
Deficit of funded plan	72.0	18.9

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.7%	7.8%
Salary growth rate		
for Management	10.0%	10.0%
for Non-Management	6.0%	6.0%

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.

38 EMPLOYEE BENEFITS: POST-EMPLOYMENT BENEFIT PLANS (Contd.)

II Defined Benefit plans (Contd.)

ii) Provident Fund

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors. The actuary has provided a valuation and based on the below provided assumptions, shortfall recognized in the Statement of Profit and Loss during the year is NIL (previous year NIL MINR).

(₹ in millions)

	Present value of obligation	Fair value of plan assets	Net Amount
Opening balance as on April 1, 2017	1,657.8	1,657.8	-
Current service cost	40.6	-	40.6
Interest cost/income	121.9	121.9	-
Total amount recognized in profit & loss	162.5	121.9	40.6
Actual return on plan assets less interest on plan assets	-	(31.5)	31.5
(Gain)/loss from change in financial assumptions	-	-	-
Expereince (gains)/losses	(31.5)	-	(31.5)
Total amount recognized in other comprehensive income	(31.5)	(31.5)	(0.0)
Employer contributions	-	40.6	(40.6)
Employee contributions	110.4	110.4	-
Assets Distributed on Settlements / acquired on acquisition	7.5	7.5	-
Benefit payments	(123.7)	(123.7)	-
Closing balance as on March 31, 2018	1,783.0	1,783.0	(0.0)
Opening balance as on April 1, 2018	1,783.0	1,783.0	(0.0)
Current service cost	38.5	-	38.5
Interest cost/income	129.5	129.5	-
Total amount recognized in profit & loss	168.0	129.5	38.5
Remeasurements			
Actual return on plan assets less interest on plan assets	-	98.0	(98.0)
(Gain)/loss from change in financial assumptions	-	-	-
Experience (gains)/losses	98.0	-	98.0
Total amount recognized in other comprehensive income	98.0	98.0	0.0
Employer contributions	-	38.5	(38.5)
Employee contributions	108.3	108.3	-
Assets Distributed on Settlements / acquired on acquisition	17.2	17.2	-
Benefit payments	(301.4)	(301.4)	-
Closing balance as on March 31, 2019	1,873.1	1,873.1	-

The net liability disclosed above relates to funded and unfunded plans are as follows:

	March 31, 2019	March 31, 2018
Present value of funded obligations	1,873.1	1,783.0
Fair value of plan assets	1,873.1	1,783.0
Deficit of funded plan	-	(0.0)

Principal actuarial assumptions used as at the reporting date:

The significant actuarial assumptions were as follows:

	March 31, 2019	March 31, 2018
Discount rate	7.7%	7.8%
Expected rate of return on plan assets	8.5%	8.3%
Discount rate for the remaining term to maturity of the investment	7.6%	7.8%
Average historic yield on the investment	8.4%	8.4%
Guaranteed rate of return	8.7%	8.6%

38 EMPLOYEE BENEFITS: POST-EMPLOYMENT BENEFIT PLANS (Contd.)

III Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

	Change in assumption		Impact on defined benefit obligation					
			Increase in Valuation			Decrease in Valuation		
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Discount rate - Gratuity	0.50%	0.50%	Decrease by	3.05%	3.11%	Increase by	3.21%	3.28%
Salary growth rate - Gratuity	0.50%	0.50%	Increase by	3.21%	3.28%	Decrease by	3.08%	3.14%
RPFC guaranteed rate	0.50%	0.50%	Increase by	1.68%	2.22%	Decrease by	0.00%	0.00%

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 recognized 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:

(₹ in millions)

	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
<i>Debt instruments</i>								
Corporate bonds	58.4	-	58.4	7%	60.1	-	60.1	7%
Government of India securities	139.8	-	139.8	17%	146.7	-	146.7	18%
Sub Total	198.2	-	198.2		206.8	-	206.8	
Insurer Fund	720.8	-	720.8	85%	666.7	-	666.7	80%
Others	-	(72.6)	(72.6)	-9%	-	(36.7)	(36.7)	-4%
Total	919.0	(72.6)	846.4	100%	873.5	(36.7)	836.8	100%

(b) The major categories of plans assets for Provident Fund are as follows:

	March 31, 2019				March 31, 2018			
	Quoted	Unquoted	Total	in %	Quoted	Unquoted	Total	in %
Equity instruments	75.4	-	75.4	4%	66.0	-	66.0	4%
<i>Debt instruments</i>								
Corporate bonds	858.1	-	858.1	46%	548.0	-	548.0	31%
Government of India securities	867.8	-	867.8	46%	736.0	-	736.0	41%
Sub Total	1,725.9	-	1,725.9		1,284.0	-	1,284.0	
Others	-	72.0	72.0	4%	-	433.0	433.0	24%
Total	1,801.3	72.0	1,873.3	100%	1,350.0	433.0	1,783.0	100%

The weighted average duration of the defined benefit obligation is 6.26 years (2018 - 6.41 years). The expected maturity analysis of undiscounted gratuity is as follows:

	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
March 31, 2019					
Defined benefit obligation	119.0	180.2	322.9	993.5	1,616
March 31, 2018					
Defined benefit obligation	113.0	165.2	296.1	960.3	1,535

38 EMPLOYEE BENEFITS: POST-EMPLOYMENT BENEFIT PLANS (Contd.)

V Risk exposure

Through its defined benefit plans, the Company is exposed to a number of risks, the most significant of which are detailed below:

Asset volatility : The plan liabilities are calculated using a discount rate set with reference to bond yields; if plan assets underperform this yield, this will create a deficit. Most of the plan asset investments is in fixed income securities with high grades and in government securities. These are subject to interest rate risk and the fund manages interest rate risk to minimize risk to an acceptable level. A portion of the funds are invested in equity securities and in alternative investments which have low correlation with equity securities. The equity securities are expected to earn a return in excess of the discount rate and contribute to the plan deficit. The company has a risk management strategy where the aggregate amount of risk exposure on a portfolio level is maintained at a fixed range. Any deviations from the range are corrected by rebalancing the portfolio. The company intends to maintain the above investment mix in the continuing years.

Changes in bond yields : A decrease in bond yields will increase plan liabilities, although this will be partially offset by an increase in the value of the plans' bond holdings.

The company ensures that the investment positions are managed within an asset-liability matching (ALM) framework that has been developed to achieve long-term investments that are in line with the obligations under the employee benefit plans.

Within this framework, the Company's ALM objective is to match assets to the gratuity obligations by investing in long-term fixed interest securities with maturities that match the benefit payments as they fall due.

The company actively monitors how the duration and the expected yield of the investments are matching the expected cash outflows arising from the employee benefit obligations. The company has not changed the processes used to manage its risks from previous periods. Investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

39 CONTINGENT LIABILITIES AND COMMITMENTS

(to the extent not provided for)

a) Contingent liabilities:

	March 31, 2019	March 31, 2018
	(₹ in millions)	
Claims against the Company not acknowledged as debts		
(i) Income-tax	1,698.7	1,098.1
(ii) Excise duty	202.0	227.0
(iii) Sales tax	173.0	129.8
(iv) Service tax	-	6.6
(v) Others	38.6	49.0
	2,112.3	1,510.5

In addition to above, during the year the Company has received a Draft assessment order for financial year 2014-15 (Assessment year 2015-16) u/s 143(3) read with section 144C of the Income Tax Act, 1961 ("Act") from the Assessing officer proposing an adjustment of ₹704.9 million towards Transfer Pricing addition resulting from the Transfer Pricing order under section 92CA(3) of the Act and an adjustment of ₹143.5 million towards Income Tax issues. Thus the total addition of ₹848.4 million has been proposed in draft assessment order. Against this draft assessment order, the Company has filed its objections with Dispute resolution panel (DRP) under section 144C of the Act. The matter will be heard by the DRP and directions shall be issued to the Assessing officer who shall, in conformity with the directions, pass the final assessment order under section 143(3) read with section 144C(13) of the Act. Given the fact that the Company has not received final assessment order and that the hearings are pending before the Dispute resolution panel, the management is of the opinion that there is no tax liability against the Company as on the balance sheet date.

The Company is in the process of evaluating the impact of the recent Supreme Court Judgment in case of "Vivekananda Vidyamandir And Others Vs The Regional Provident Fund Commissioner (II) West Bengal" and the related circular (Circular No. C-1/1(33)2019/Vivekananda Vidya Mandir/284) dated March 20, 2019 issued by the Employees' Provident Fund Organization in relation to non-exclusion of certain allowances from the definition of "basic wages" of the relevant employees for the purposes of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in these Financial Statements.

39 CONTINGENT LIABILITIES AND COMMITMENTS (Contd.)**b) Commitments:**

	(₹ in millions)	
	March 31, 2019	March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for, net of advances	375.8	125.9
	375.8	125.9

40 DUES TO MICRO AND SMALL SUPPLIERS

	March 31, 2019	March 31, 2018
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	4.5	1.8
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	5.5	-
Principal amount paid to suppliers registered under the MSMED Act beyond the appointed day during the year	78.1	35.2
Interest paid other than under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest paid under Section 16 of MSMED Act to suppliers registered under the MSMED Act beyond the appointed day during the year	Nil	Nil
Interest due and payable towards suppliers registered under MSMED Act for payment already made	0.9	0.3
Further interest remaining due and payable for earlier years	4.5	3.6

Note : The above information has been compiled by the Company on the basis of information made available by vendors during the year ended March 31, 2019 and year ended March 31, 2018.

41 SEGMENT INFORMATION

The Company is of the view that it operates in a single segment viz. 'Bearings'. The Chief operating decision maker assess the result at Company level. This is in accordance with Accounting Standard IND AS 108, 'Segment Reporting' issued under Companies (Accounting Standards) Rules, 2015.

Information about geographical segments

	March 31, 2019	March 31, 2018
Segment revenue		
Domestic	27,994.3	25,004.2
Export	1,965.4	2,682.0
	29,959.7	27,686.2
Segment assets *		
Domestic	4,859.1	4,437.8
Export	353.5	469.8
	5,212.6	4,907.6

* The Company's tangible assets are located entirely in India.

42 STANDARDS ISSUED BUT NOT YET EFFECTIVE

Ind AS 116 – Leases

The Ministry of Corporate Affairs (MCA) notified the Companies (Indian Accounting Standards) Amendment Rules, 2019 on March 30, 2019. The Rules shall be effective from reporting period beginning on or after April 1, 2019 and cannot be early adopted.

The new standard on leases sets out the principles for the recognition, measurement, presentation and disclosure of leases. The core objective of the standard is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information is likely to provide a basis to users of financial statements to assess the effect that leases will have on the financial position, financial performance and cash flows of the Company.

The new standard increases the focus on which party controls the use of an identified asset. Under Ind AS 17, an arrangement may be a lease when the customer obtains substantially all of the output or other utility of the asset even if the customer does not control the use of the asset. Under the new standard, a lease can exist if, and only if, the customer has the right to both control the use of an identified asset and obtain substantially all of the economic benefits from the use of that asset. This is in contrast to a further aspect of Ind AS 17 under which an arrangement is a lease when the customer has the right to control the use of an identified asset and obtains more than an insignificant amount of the output or other utility of the asset.

The new standard provides two optional approaches to transition. They are as follows:

- a) Full retrospective approach: Under this approach, the lessee applies the new standard retrospectively in accordance with Ind AS 8, Accounting Policies, Changes in Accounting Estimates and Errors. For this purpose, the lessee:
 - Applies the new standard to all leases in which it is a lessee
 - Applies the standard retrospectively to each prior period presented
 - Recognizes an adjustment in equity at the beginning of the earliest period presented and
 - Makes the disclosures required by Ind AS 8 on a change in accounting policy.
- b) Modified retrospective approach: Under this approach, a lessee applies the new standard from the beginning of the current period. For this purpose, the lessee:
 - Calculates lease assets and lease liabilities as at the beginning of the current period
 - Does not restate its prior period financial information
 - Recognizes an adjustment in equity at the beginning of the current period and
 - Makes additional disclosures specified in the standard.

The Company is in the process of evaluating the impact on the financial statements under the new standard.

43 THE COMPANY HAS FACILITY FROM BANKS FOR

- i) Working capital / working capital demand loans which are secured by pari passu charge of :
 - a) all tangible movable properties and assets, both present and future, including stocks of Raw Materials, Semi-finished goods and Finished goods, excluding movable Machinery Spares, Tools and Accessories and Stores and Spares.
 - b) all present and future Book Debts outstanding, Monies receivable, Claims and Bills.
- ii) Pre shipment export credit loan (unsecured) of INR 900 million as at March 31, 2019 at the rate of interest 5.75% after subvention of 3% payable on July 2, 2019.

44 IND AS 115 :- REVENUE FROM CONTRACTS WITH CUSTOMERS

	(₹ in millions)
	March 31, 2019
Reconciliation of revenue with contract price :-	
Revenue as per statement of Profit & Loss	29,959.7
Add: Incentive/rebates etc	1,061.2
Add: Discounts	32.0
Add: Liquidated damages	20.2
Contract price	31,073.1

45 RELATED PARTY DISCLOSURES

(i) List of Related Parties & relationship:

(a) List of related parties where control exists

Sr. No.	Name of the Related Party	Relationship
1	Aktiebolaget SKF (AB SKF)	Holding Company

(b) Names of the related parties with whom transactions were carried out and description of relationship:

Fellow subsidiary Companies (All under the common control of AB SKF)

Sr. No.	Name of the Related Party
1	SKF GMBH
2	SKF INDUSTRIE S.P.A
3	SKF SVERIGE AB
4	SKF USA INC.
5	SKF ARGENTINA S.A.
6	SKF LOGISTIC URUGUAY S.A.
7	SKF ÖSTERREICH AG
8	LINCOLN HELIOS (INDIA) LIMITED
9	KAYDON CORPORATION
10	SKF INTERNATIONAL AB
11	SKF MEKAN AB
12	SKF MOTION TECHNOLOGIES AB
13	SKF (U.K.) LIMITED
14	SKF FRANCE S.A.
15	SKF MOTION TECHNOLOGIES S. A.
16	RKS S. A. S.
17	SKF LOGISTICS SERVICES BELGIUM NV
18	SKF BELGIUM NV/SA
19	RFT S. P. A.
20	SKF CZ, a.s.
21	SKF ACTUATION SYSTEM (LIESTAL) AG
22	SKF BEARING BULGARIA EAD
23	SKF INTERNATIONAL AB EDC
24	SKF CANADA LIMITED
25	SKF de MEXICO, S.A. de C.V.
26	SKF LATIN TRADE S.A.S.
27	SKF DEL PERU S.A.
28	SKF DO BRASIL LTDA
29	SHANGHAI PEER BEARING COMPANY LTD
30	PEER BEARING COMPANY-CHANGSHAN
31	ZHE JIANG XINCHANG PEER BEARING CO LTD
32	SKF TURK SANAYI VE TICARET LIMITED
33	SKF TECHNOLOGIES (INDIA) PVT LTD
34	SKF ASIA PACIFIC PTE. LTD.

45 RELATED PARTY DISCLOSURES (Contd.)

(b) Names of the related parties with whom transactions were carried out and description of relationship:
(continued)

Sr. No.	Name of the Related Party
35	SKF JAPAN LTD.
36	SKF (SHANGHAI) BEARINGS CO.LTD
37	SKF KOREA LTD
38	SKF BEARING INDUSTRIES Sdn. Bhd.
39	SKF MALAYSIA Sdn. Bhd.
40	SKF SEALING SOLUTIONS(WUHU) CO.,LTD
41	PT SKF INDONESIA
42	SKF SEALING SOLUTIONS KOREA CO., LTD
43	SKF VIETNAM CO LTD
44	SKF INDUSTRIAL INDONESIA
45	SKF (SHANGHAI) AUTOMOTIVE TECHNOLOGIES CO., LTD
46	SKF (CHINA) SALES CO. LTD
47	SKF (DALIAN) BEARINGS AND PRECISION TECHNOLOGIES CO. LTD.
48	SKF (JINAN) BEARINGS AND PRECISION
49	SKF DISTRIBUTION (SHANGHAI) CO. LTD
50	SKF (PINGHU) PRECISION BEARINGS CO LTD
51	ABBA LINEAR TECH CO., LTD.
52	SKF AUSTRALIA PTY LTD
53	PSC SKF UKRAINE
54	SKF LINEARSYSTEME GmbH
55	SKF SEALING SOLUTIONS GmbH
56	SKF SOUTH AFRICA (PTY) LTD
57	SKF MAGNETIC MECHATRONICS
58	SKF SEALING SOLUTIONS AUSTRIA GmbH
59	SKF ECONOMOS INDIA PVT. LTD.

Key Management Personnel

1	Mr Manish Bhatnagar (Managing Director from August 16, 2018)
2	Mr Carl Orstadius (Managing Director from April 1, 2018 till August 15, 2018)
3	Ms H. Hattangady
4	Mr. P. M. Telang
5	Mr. P. R. Menon
6	Mr. Rakesh Makhija
7	Mr. Bernd Stephan

Employees' Benefit plans where there is Significant influence

1	SKF India Limited Provident Fund Scheme
2	SKF Bearings India Limited Superannuation Scheme
3	SKF Bearings India Limited Bangalore Superannuation Scheme
4	SKF Bearings India Limited Employees Gratuity Fund
5	SKF Bearings India Limited Bangalore Employees Gratuity Fund

45 RELATED PARTY DISCLOSURES (Contd.)

(ii) Disclosure of related party transactions:

(₹ in millions)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2019		For year ended March 31, 2018	
		Amount	Amount	Amount	Amount
A	Purchases				
	i Raw Materials, components, spares and Finished Goods	10,090.3		8,496.3	
	SKF GmbH		2,559.3		2,231.3
	SKF Technologies India Private Ltd.		1,701.1		1,311.6
	SKF Asia Pacific Pte Ltd		1,501.8		1,355.0
	SKF Industrie S.p.A		1,057.3		907.4
	Others		3,270.8		2,691.0
	ii Capital Goods & Services	30.0		34.5	
	SKF Sealing Solutions Austria GmbH		13.7		-
	SKF Osterreich AG., Austria		9.8		34.4
	SKF USA Inc.,		3.0		-
	Others		3.5		0.1
B	Services received				
	i Administrative and Service Fees	287.0		254.7	
	AB SKF, Sweden		250.0		199.0
	Others		37.0		55.7
C	Royalty	489.7		477.4	
	AB SKF, Sweden		489.7		477.4
D	Trade Mark Fees	315.8		310.1	
	AB SKF, Sweden		315.8		310.1
E	Sales				
	i Goods and Services	1,965.4		2,552.6	
	SKF GmbH,		471.3		577.4
	SKF European Distribution Centre (EDC)		377.4		287.0
	SKF USA Inc.,		310.4		695.5
	SKF Asia Pacific Pte Ltd		120.7		259.9
	Others		685.6		732.8
	ii Technical and other service income	253.7		202.5	
	AB SKF, Sweden		253.7		202.5
F	Other Income				
	i Rent Income	32.0		31.2	
	SKF Technologies India Private Ltd.		32.0		31.2
	ii Commission Income	2.2		11.0	
	SKF Asia Pacific Pte Ltd		2.2		11.0
G	Reimbursements				
	i Received	83.1		135.3	
	SKF Technologies India Private Ltd.		63.4		67.6
	AB SKF		-		26.2
	SKF Asia Pacific Pte Ltd		1.7		13.5
	Others		18.1		28.0

45 RELATED PARTY DISCLOSURES (Contd.)

(ii) Disclosure of related party transactions (Contd.):

(₹ in millions)

Sr. No.	Nature of transaction / relationship / major parties	For year ended March 31, 2019		For year ended March 31, 2018	
		Amount	Amount	Amount	Amount
	ii Paid	16.8		8.6	
	AB SKF, Sweden		11.6		1.5
	SKF Technologies India Private Ltd.		2.9		3.4
	SKF Industries SPA		1.6		1.2
	Others		0.7		2.5
H	Inter Corporate Loan & Interest				
	i Loan Received Back	125.0		50.0	
	SKF Technologies India Private Ltd.		125.0		50.0
	ii Interest Income on Loan	123.6		123.5	
	SKF Technologies India Private Ltd.		123.6		123.5
I	Dividend Paid	311.7		268.5	
	AB SKF, Sweden		272.0		234.3
	SKF (UK) Ltd.		37.5		32.3
	Others		2.2		1.9
J	Managerial Remuneration :-	32.6		37.8	
	Mr. Carl Ostradius				
	Salaries, Incentive etc		14.5		-
	Mr Manish Bhatnagar				
	Salaries, Incentive etc		18.1		-
	Mr Shishir Joshipura				
	Salaries, Incentive etc		-		31.5
	Post employment benefits		-		6.3
K	Payment to Directors	10.7		9.7	
	Sitting fees & Commission		10.7		9.7
L	Employees' Benefit plans where there is Significant influence				
	i Contributions Paid	212.5		262.0	
	SKF India Limited Provident Fund Scheme		159.4		150.4
	SKF Bearings India Limited Superannuation Scheme		31.2		30.9
	SKF Bearings India Limited Bangalore Superannuation Scheme		3.0		2.8
	SKF Bearings India Limited Employees Gratuity Fund		13.9		72.3
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		5.0		5.6
	ii Reimbursements Received For Settlements	47.2		42.8	
	SKF Bearings India Limited Employees Gratuity Fund		35.4		36.3
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		11.8		6.5

45 RELATED PARTY DISCLOSURES (Contd.)

(iii) Amount due to/from related parties

(₹ in millions)

Sr. No.	Nature of transaction / relationship	March 31, 2019		March 31, 2018	
		Amount	Amount	Amount	Amount
1	Accounts receivable	423.2		481.8	
	SKF International AB		307.9		437.2
	Others		115.3		44.6
2	Other receivable	74.5		58.5	
	AB SKF Goteborg, Sweden		59.4		51.6
	Others		15.1		6.9
3	Accounts payable	2,468.9		2,590.4	
	SKF International AB		2,100.0		2,008.6
	AB SKF Goteborg, Sweden		197.6		202.2
	Others		171.3		379.6
4	Loan (including interest accrued)	1,452.2		1,577.0	
	SKF Technologies India Private Limited		1,452.2		1,577.0
5	Managerial Remuneration payable	1.5		6.3	
	Mr Manish Bhatnagar		1.5		6.3
6	Employees' Benefit plans where there is Significant influence				
	Other Receivable	88.3		52.6	
	SKF Bearings India Limited Employees Gratuity Fund		88.1		46.4
	SKF Bearings India Limited Bangalore Employees Gratuity Fund		0.2		6.2
7	Director's commission	7.9	7.9	7.2	7.2

(iv) Terms and Conditions

Transactions relating to dividends were on the same terms and conditions that applied to other shareholders.

The loans to related party is repayable along with interest as per the terms of the agreement.

Goods and Services were sold/purchased to/from related parties during the year based on the price lists in force and terms that would be available to third parties. All other transactions were made on normal commercial terms and conditions and at arms length.

For **Price Waterhouse & Co Bangalore LLP**
Firm Regn. No. 007567S/S-200012
Chartered Accountants

Jeetendra Mirchandani
Partner
Membership No. 48125

Place: Bengaluru
Date: May 15, 2019

For and on behalf of the Board of Directors of SKF India Limited

Rakesh Makhija
Chairman

P. R. Menon **P. M. Telang**
Directors

Manish Bhatnagar
Managing Director

Chandramowli S. **P. Bhandari**
Finance Director Company Secretary

Place: Bengaluru
Date: May 15, 2019

SKF India Limited

CIN : L29130MH1961PLC011980

Registered Office : Mahatma Gandhi Memorial Building, N. S. Road, Charni Road(W), Mumbai 400 002
Phone No:+91 (22) 22857777, Fax :+91 (22) 22819074, Website : www.skf.com/in E:mail : investors@skf.com

Attendance Slip

(To be presented at the entrance duly signed)

58th Annual General Meeting on Tuesday, 23rd July, 2019 at 3.00 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400021

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I hereby record my presence at the **FIFTY-EIGHTH ANNUAL GENERAL MEETING** of SKF India Ltd. to be held on Tuesday, 23rd July, 2019 at 3.00 p.m.

SIGNATURE OF THE ATTENDING MEMBER / PROXY _____

ELECTRONIC VOTING PARTICULARS		
Electronic Voting Event Number (REVEN)	User ID	Password

Note : Please refer to the instructions printed under the Notes to the Notice of the 58th Annual General Meeting. The voting periods starts from 9.00 am on Saturday, 20th July, 2019 and ends at 5.00 p.m. on 22nd July, 2019. The voting portal shall be disabled by NSDL for voting thereafter.

SKF India Limited

CIN : L29130MH1961PLC011980

Registered Office : Mahatma Gandhi Memorial Building, N. S. Road, Charni Road(W), Mumbai 400 002
Phone No:+91 (22) 22857777, Fax :+91 (22) 22819074, Website : www.skf.com/in E:mail : investors@skf.com

Proxy Form

Name of the Member(s)
Registered Address
Email ID
Folio No./DP ID - Client ID

I / We being the Member(s) of _____ shares of above named Company, hereby appoint :

1.	Name:	Address		
	Email ID:		Signature	or
	Failing him / her			
2.	Name:	Address		
	Email ID:		Signature	or
	Failing him / her			
3.	Name:	Address		
	Email ID:		Signature	
	Failing him / her			

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the 58th Annual General Meeting of the Company to be held on Tuesday, 23rd July, 2019 at 3.00 p.m. at Kamalnayan Bajaj Hall, Bajaj Bhavan, Ground Floor, Jamnalal Bajaj Marg, 226, Nariman Point, Mumbai 400021 and at any adjournment thereof in respect of such resolutions as are indicated below/overleaf :

Resolution No.	Particulars	Optional *	
		For	Against
ORDINARY BUSINESS			
1.	To receive, consider and adopt the Audited Financial Statements for the year ended 31st March, 2019 together with Reports of the Directors and the Auditors thereon		
2.	To declare a dividend on Equity Shares for the year ended 31st March, 2019		
3.	To appoint a Director in place of Mr. Bernd Stephan (DIN 07835737) who retires by rotation and being eligible offers himself for re-appointment		
4.	Appointment of M/s. Price Waterhouse & Co Bangalore LLP, Chartered Accountants, (Firm's Registration Number 007567S with the ICAI) as the Statutory Auditors of the Company		
SPECIAL BUSINESS			
5.	Appointment of Mr. Gopal Subramanyam (DIN : 06684319) as an Independent Director of the Company		
6.	Appointment of Ms. Anu Wakhlu (DIN : 00122052) as an Independent Director of the Company		
7.	Appointment of Mr. Aldo Cedrone (DIN : 0008455073) as a Director of the Company.		
8.	Appointment of Mr. Manish Bhatnagar (DIN : 08148320) as a Director of the Company.		
9.	Appointment of Mr. Manish Bhatnagar (DIN : 08148320) as Managing Director of the Company.		
10.	Approval of transactions with AB SKF, Parent Company.		
11.	Ratification of Remuneration to Cost Auditor		

Signed this _____ day of _____ 2019

Signature of shareholder: _____

Signature of Proxy holder (s): _____

Affix
Revenue
stamp

Notes :

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 58th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

Cautionary statement

This report contains forward-looking statements that are based on the current expectations of the management of SKF. Although management believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those implied in the forward-looking statements as a result of, among other factors, changes in economic, market and competitive conditions, changes in the regulatory environment and other government actions, fluctuations in exchange rates and other factors mentioned in this Annual Report.

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SKF India Limited

Registered Office:

Mahatma Gandhi Memorial Building,
Netaji Subhash Road, Charni Road (W),
Mumbai- 400 002, Maharashtra
Tel: +91-22-22857777

CIN : L29130MH1961PLC011980

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