

DG/cl 41 /330 & 331  
7<sup>th</sup> May, 2020

BSELISTING

By NEAPS

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

**Sub : Outcome of the Board Meeting and announcements pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations')**

Pursuant to the provisions of the Listing Regulations and further to our letter ref. DG/330 & 331 dated 27<sup>th</sup> April, 2020, we wish to inform you that Board of Directors of the Company at its meeting held today, commenced at 14:00 hrs and concluded at 15:42, has, inter-alia, considered the following:

1. Approved the Fourth Quarter and Annual Audited Financial Results for the financial year ended 31<sup>st</sup> March, 2020 of the Company together with Auditors' Reports of the Statutory Auditors, that were placed before the Board of Directors and was taken on record.

The Fourth Quarter and Annual Audited Financial Results of the Company as per Regulation 33 of Listing Regulations, Auditors' Report along with Chief Financial Officer certification stating that M/s. Price Waterhouse & Co. LLP, Chartered Accountants, Statutory Auditors have issued their audit report with unmodified opinion are enclosed herewith.

2. The Board decided to recommend to the members a special dividend as a final dividend of Rs.130/- per equity share for the financial year ended March 31, 2020 which shall be paid/dispatched within thirty days from the date of ensuing Annual General Meeting ('AGM'), if declared and approved by the members at the AGM.

SKF India Limited

Registered Office: Mahatma Gandhi Memorial Building, Netaji Subhash Road, Charni Road, Mumbai 400 002, Maharashtra, India

Tel: +91 (22) 22857777, Fax: +91 (22) 2281 9074, Web: www.skf.com, www.skfindia.com

CIN: L29130MH1961PLC011980

:: 2 :

3. The Board also approved to shifting of Registered Office of the Company from jurisdiction of Registrar of Companies, Mumbai to Registrar of Companies, Pune within the State of Maharashtra, subject to the approval of members at the ensuing Annual General Meeting and Statutory authorities.

Kindly arrange to display this information on the notice board of your esteemed exchange.

Thanking you,

Yours faithfully,  
SKF India Limited

**RANJAN  
KUMAR**

Digitally signed by RANJAN KUMAR  
DN: cn=SKF INDIA LIMITED,  
ou=INTERNAL AUDIT, LEGAL AND  
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Ranjan Kumar  
Company Secretary

# SKF INDIA LIMITED



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND ANNUAL AUDITED RESULT FOR THE YEAR MARCH 31, 2020

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
	(Unaudited) (Note:-8)	(Unaudited)	(Unaudited) (Note:-8)	(Audited)	(Audited)
1 Revenue from Operations	6,102.1	7,073.4	7,484.4	28,415.8	30,345.3
Other Income	464.4	171.1	291.6	1,039.2	923.8
<b>Total Income</b>	<b>6,566.5</b>	<b>7,244.5</b>	<b>7,776.0</b>	<b>29,455.0</b>	<b>31,269.1</b>
2 Expenses					
(a) Cost of materials consumed	1,460.6	1,351.8	1,853.5	6,028.0	7,342.7
(b) Purchases of stock-in-trade	2,900.7	2,770.6	2,768.5	12,032.2	10,859.1
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(562.9)	517.5	(182.5)	(155.0)	(437.2)
(d) Employee benefits expenses	581.1	576.1	630.6	2,396.6	2,582.8
(e) Depreciation and amortisation expenses	146.6	144.6	115.5	571.2	463.9
(f) Finance cost	18.2	24.8	18.2	94.8	76.6
(g) Other expenses	1,103.9	1,131.9	1,304.4	4,619.5	5,139.3
<b>Total Expenses</b>	<b>5,648.2</b>	<b>6,517.3</b>	<b>6,508.2</b>	<b>25,587.3</b>	<b>26,027.2</b>
3 Profit before Tax	918.3	727.2	1,267.8	3,867.7	5,241.9
4 Income tax expense :					
Current tax	150.5	165.3	473.7	901.5	1,923.1
Deferred tax charge / (credit)	28.2	50.0	(38.8)	90.1	(49.8)
Short / (excess) tax provision for earlier years	(13.8)	0.0	10.9	(13.8)	10.9
<b>Total tax expense</b>	<b>164.9</b>	<b>215.3</b>	<b>445.8</b>	<b>977.8</b>	<b>1,884.2</b>
5 Profit for the period (3 - 4)	753.4	511.9	822.0	2,889.9	3,357.7
6 Other comprehensive income, net of income tax -					
Items that will not be reclassified to profit and loss					
Remeasurement of post employment benefits obligation	(97.2)	(25.2)	13.7	(122.4)	(34.7)
Income tax (charge) / credit relating to these items	24.5	6.3	(4.8)	30.8	12.1
<b>Other comprehensive income for the year (net of tax)</b>	<b>(72.7)</b>	<b>(18.9)</b>	<b>8.9</b>	<b>(91.6)</b>	<b>(22.6)</b>
7 Total comprehensive income for the period (5 + 6)	680.7	493.0	830.9	2,798.3	3,335.1
8 Paid-up Equity Share Capital (face value Rs. 10/-)	494.4	494.4	494.4	494.4	494.4
9 Reserves excluding Revaluation Reserve ( as per Balance sheet of previous accounting period )				18,558.1	16,475.0
10 Earnings Per Share (of Rs.10/- each)					
a Basic (not to be annualised)	15.2	10.4	16.3	58.5	65.7
b Diluted (not to be annualised)	15.2	10.4	16.3	58.5	65.7

**SKF INDIA LIMITED**

**Statement of Assets and Liabilities**

(Rs. in Millions)

Particulars	As at March 31, 2020 (Audited)	As at March 31, 2019 (Audited)
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	3,145.5	2,669.6
Right-of-use assets	206.7	-
Capital Work-in-progress	410.7	621.8
Investment properties	163.4	169.9
Intangible assets	0.9	1.6
Financial assets		
Loans to related party	800.0	1,250.0
Others	504.6	297.0
Deferred tax assets (net)	169.1	228.4
Non-Current Tax Asset (net)	784.8	514.2
Other non-current assets	106.7	101.8
<b>Total non-current assets</b>	<b>6,292.4</b>	<b>5,854.3</b>
<b>Current Assets</b>		
Inventories	4,517.8	4,610.0
Financial Assets		
Investment in Government securities	1,971.8	441.7
Trade receivables	4,357.0	5,212.6
Cash and cash equivalents	1,162.5	1,183.6
Bank balance other than above	5,020.4	4,850.6
Loans to related party	472.1	202.2
Others Financial assets	301.9	327.2
Other Current Assets	597.7	284.6
<b>Total current assets</b>	<b>18,401.2</b>	<b>17,112.5</b>
<b>TOTAL ASSETS</b>	<b>24,693.6</b>	<b>22,966.8</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Equity Share Capital	494.4	494.4
Other Equities		
Reserves and surplus	18,558.1	16,475.0
<b>Total Equity</b>	<b>19,052.5</b>	<b>16,969.4</b>
<b>Non-current liabilities</b>		
Financial Liabilities		
Lease Liability	133.0	-
Employee benefit obligation	272.2	239.5
Provisions	70.9	84.2
<b>Total non-current liabilities</b>	<b>476.1</b>	<b>323.7</b>
<b>Current Liabilities</b>		
Financial Liabilities		
Borrowings	-	900.0
Lease Liability	85.1	-
Trade Payables	4,120.1	3,491.4
Other current Financial liabilities	485.9	723.5
Employee benefit obligations	227.5	114.5
Provisions	129.3	179.2
Current Tax Liabilities (Net)	-	56.8
Other current liabilities	117.1	208.3
<b>Total current liabilities</b>	<b>5,165.0</b>	<b>5,673.7</b>
<b>Total Liabilities</b>	<b>5,641.1</b>	<b>5,997.4</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>24,693.6</b>	<b>22,966.8</b>



# SKF INDIA LIMITED

## Statement of Cash Flow

(INR in Million)

	For the year ended March 31, 2020	For the year ended March 31, 2019
<b>A. Cash flow from Operating Activities</b>		
Profit before tax	3,867.7	5,241.9
Adjusted for :		
Depreciation / Amortisation	571.2	463.9
Net Profit on sale of Fixed Assets	(351.2)	(33.8)
Finance cost	94.8	76.6
Interest income	(575.6)	(743.7)
	(260.8)	(237.0)
Operating Profit before working capital changes	3,606.9	5,004.9
Adjusted for :		
Decrease / (increase) in inventories	92.2	(581.2)
Decrease / (increase) in trade receivables	855.6	(305.0)
Decrease / (increase) in current & non-current assets	(497.5)	125.3
(Decrease) / increase in trade payables	628.7	(405.6)
(Decrease) / increase in other liabilities and provisions	(172.9)	94.2
	906.1	(1,072.3)
Cash generated from operations	4,513.0	3,932.6
Direct taxes paid (net of refunds)	(1,215.1)	(2,122.8)
Net cash flow from Operating Activities (A)	3,297.9	1,809.8
<b>B. Cash flow from Investing Activities</b>		
Sale /(Purchase) of investments	(1,530.1)	1,093.5
Purchase of Property Plant & Equipment	(953.0)	(456.7)
Sale of Property Plant & Equipment	360.7	45.1
Deposits placed during the year	(6,450.1)	(6,920.0)
Deposits matured during the year	6,280.0	8,420.0
Interest Earned	463.5	633.8
Interest Earned on loan to related party	113.6	123.4
Repayment of loan by related party	175.0	125.0
Net cash used in Investing Activities (B)	(1,540.4)	3,064.1
<b>C. Cash flow from Financing Activities</b>		
Buy Back of equity shares	-	(3,996.1)
Proceeds/(Repayment) of Borrowings (net)	(900.0)	50.0
Dividend paid (including tax on distributed profits)	(715.3)	(742.7)
Principal elements of lease payments	(68.6)	-
Finance cost	(94.8)	(76.6)
Net cash used in Financing Activities (C)	(1,778.6)	(4,765.4)
<b>Net changes in Cash and Cash Equivalents (A+B+C)</b>	<b>(21.1)</b>	<b>108.5</b>
Cash and Cash Equivalents at beginning of the year	1,183.6	1,075.1
Cash and Cash Equivalents at the end of the year	1,162.5	1,183.6
<b>Net changes in Cash and Cash Equivalents</b>	<b>(21.1)</b>	<b>108.5</b>

*MD*

Notes :

- 1 This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- 2 The Company manufactures bearings and other related components and is of the view that it is a single business segment in accordance with Ind AS-108- 'Operating Segments' notified pursuant to Companies (Accounting Standards) Rules, 2015.
- 3 The Company has adopted Ind AS 116 "Leases" effective April 1, 2019 (transition date), which applies to all lease contracts existing on transition date using the simplified approach. On transition date, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) and equivalent lease liability of INR 287 million. The effect of this adoption on the profit for the period and the earnings per share is not significant and has been appropriately dealt in these results.
- 4 Other income for quarter ended March 31, 2020 includes profit of Rs 349 million towards sale of unused land for a consideration of Rs 354.6 million.
- 5 The COVID 19 spread has severely impacted businesses around the world. In many countries, including India, there has been severe disruption to regular business operations due to lock down restrictions and other emergency measures imposed by the Government. The Company has made a detailed assessment of its liquidity position for the next one year and of the recoverability and carrying values of its assets including Property, Plant and Equipment, Trade receivables, Inventory and Investments as at the Balance Sheet date, and has concluded that there are no material adjustments required in the quarterly financial results. In the case of Inventory, Management has performed the annual 'wall to wall' inventory verification at each of its location as at December 31, 2019 (attended by the auditors) and performed roll-forward procedures for the period January 1, 2020 to March 31, 2020.  
Management believes that it has taken into account all the possible impact of known events arising from COVID 19 pandemic in the preparation of the financial statements. However, the estimated impact of global health pandemic might vary from the date of approval of these financial statements and the Company will continue to monitor any material changes to future economic conditions.
- 6 The Board recommended a special dividend of Rs. 130 per share on Equity Share of Rs. 10 each.
- 7 Previous period's figures have been regrouped wherever necessary to conform to current period's classification.
- 8 The figures for the quarter ended March 31, 2020 are the balancing figures between audited figures in respect of the year ended March 31, 2020 and the published year to date figures upto the third quarter ended December 31, 2019 of the relevant financial year.
- 9 The above financial results were reviewed by the Audit Committee and approved by the Board at their meeting held on May 7, 2020.

SKF India Limited



Manish Bhatnagar  
Managing Director

Date :- May 7, 2020

Place :- Bengaluru

# Price Waterhouse & Co Bangalore LLP

## Chartered Accountants

### INDEPENDENT AUDITOR'S REPORT

#### To the Board of Directors of SKF India Limited

#### Report on the Audit of Financial Results

#### Opinion

1. We have audited the annual financial results of SKF India Limited (hereinafter referred to as the 'Company') for the year ended March 31, 2020 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date, attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial results:
  - (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
  - (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020 and the statement of assets and liabilities and the statement of cash flows as at and for the year ended on that date.

#### Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Results' 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 Act 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 obtained by us is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter

4. We draw your attention to Note 5 to the financial results, which describes the management's assessment of the impact of the outbreak of Coronavirus (Covid-19) on the business operations of the Company. The management believes that no adjustments are required in the financial results as it does not impact the current financial year. However, in view of the various preventive measures taken (such as complete lock-down restrictions by the Government of India, travel restrictions etc.) and highly uncertain economic environment, a definitive assessment of the impact on the subsequent periods is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

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Price Waterhouse & Co Bangalore LLP, 7<sup>th</sup> Floor, Tower A – Wing 1, Business Bay, Airport Road, Yerwada  
Pune- 411006

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Registered office and Head Office: Plot No. 5th Floor, Tower D, The Millenia, 1&2 Murphy road, Ulsoor, Bangalore, Karnataka – 560008

Price Waterhouse & Co Bangalore LLP (LLP IN: AAC-6284) is registered as a Limited Liability Partnership (LLP) identity Price Waterhouse & Co., Bangalore has converted from partnership firm to an LLP effective August 25, 2014. Its registration number with ICAI after said conversion as LLP is 007567S/S200012 (registration number before conversion was 007567S)

# Price Waterhouse & Co Bangalore LLP

## Chartered Accountants

### **Board of Directors' Responsibilities for the Financial Results**

5. These financial results have been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of these financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Company and the statement of assets and liabilities and the statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for 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 accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial results by the Directors of the Company, as aforesaid.
6. In preparing the financial results, the Board of Directors of the Company are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

### **Auditor's Responsibilities for the Audit of the Financial Results**

8. Our objectives are to obtain reasonable assurance about whether the financial results 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 results.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
  - Identify and assess the risks of material misstatement of the financial results, 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. (Refer paragraph 11 below)
  - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
  - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or



# Price Waterhouse & Co Bangalore LLP

## Chartered Accountants

conditions that may cast significant doubt on the ability of the Company 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 results 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 results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.
10. We communicate with those charged with governance of the Company 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. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

11. The Financial Results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are neither subject to limited review nor audited by us.
12. The annual financial results dealt with by this report have been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited financial statements of the Company for the year ended March 31, 2020 on which we issued an unmodified audit opinion vide our report dated May 7, 2020.

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

AMIT  
ARUN  
BORKAR

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Date: 2020.05.07  
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Amit Borkar  
Partner  
Membership Number: 109846  
UDIN: 20109846AAAACN5281  
Place: Pune  
Date: May 7, 2020



DG:stkex/325 & 326  
7<sup>th</sup> May, 2020

BSELISTING

NEAPS

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

**Sub: Declaration under Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")**

Pursuant to Regulation 33 (3) (d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Clause 4.1 the SEBI's Circular No. CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby confirm and declare that the Statutory Auditors of the Company, M/s. Price Waterhouse & Co. LLP, Chartered Accountants have issued audit report on the Fourth Quarter and Annual Audited Financial Results of the Company for the financial year ended on March 31, 2020 with unmodified opinion.

We request you to please take the above on record.

Thanking you,

Yours faithfully,  
**SKF India Limited**

Sd/-

Anurag Bhagania  
Chief Financial Officer

SKF India Limited

Registered Office: Mahatma Gandhi Memorial Building, Netaji Subhash Road, Charni Road, Mumbai 400 002, Maharashtra, India  
Tel: +91 (22) 22857777. Fax: +91 (22) 2281 9074. Web: [www.skf.com](http://www.skf.com), [www.skfindia.com](http://www.skfindia.com)  
CIN: L29130MH1961PLC011980