

27th October, 2020

BSELISTING

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 : 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 9th October, 2020, we wish to inform you that Board of Directors of the Company at their meeting held today, commenced at 14.00 hrs and concluded at 15.45 hrs has, inter-alia, considered and approved the Unaudited Financial Results of the Company for the second quarter and half year ended 30th September, 2020.

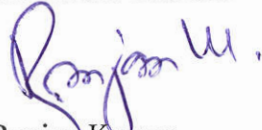
The Unaudited Financial Results of the Company for the quarter ended 30th September, 2020 along with Limited Review Report thereon given by M/s Price Waterhouse & Co Bangalore LLP, Statutory auditors of the Company as per Regulation 33 of Listing Regulations are enclosed herewith.

Further, the Board has also decided to shift the Registered Office of the Company with effect from 1st January, 2021 from Mahatma Gandhi Memorial Building, Netaji Subhash Road, Charni Road, Mumbai 400002 to Chinchwad, Pune 411 033.

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

Thanking you,

Yours faithfully,
SKF India Limited



Ranjan Kumar
Company Secretary

SKF India Limited

Chinchwad, Pune 411 033, Maharashtra, India

Tel: +91 (20) 6611 2500. Web www.skf.com, www.skfindia.com

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

Tel +91 (22) 2285 7777. Fax +91 (22) 2281 9074.

CIN: L29130MH1961PLC011980

Price Waterhouse & Co Bangalore LLP

Chartered Accountants

Review Report

To
The Board of Directors
SKF India Limited
Mahatma Gandhi Memorial Building,
Netaji Subhash Road,
Mumbai – 400002

1. We have reviewed the unaudited financial results of SKF India Limited (the “Company”) for the quarter ended September 30, 2020 and the year to date results for the period April 1, 2020 to September 30, 2020 which are included in the accompanying ‘Unaudited Financial Results for the Quarter and Six months ended September 30, 2020’, the statement of assets and liabilities as on that date and the statement of cash flows for the half-year ended on that date (the “Statement”). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the “Listing Regulations, 2015”), which has been initialled by us for identification purposes. The Statement is the responsibility of the Company’s management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Price Waterhouse & Co Bangalore LLP
Firm Registration Number: 007567S/ S200012
Chartered Accountants



Amit Borkar
Partner
Membership Number: 109846
UDIN: 20109846AAAAFQ6963

Place: Pune
Date: October 27, 2020

Price Waterhouse & Co Bangalore LLP, 7th Floor, Tower A - Wing 1, Business Bay, Airport Road, Yerwada
Pune – 411 006
T: +91 (20) 41004444, F: +91 (20) 41006161

Registered office and Head office: 5th Floor, Tower D, The Millenia, 1 & 2 Murphy Road, Ulsoor, Bangalore - 560 008

Price Waterhouse & Co Bangalore LLP (LLP IN: AAC-6284) is registered as a Limited Liability Partnership (LLP). 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)

SKF INDIA LIMITED



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2020

(Rs. in Millions)

Particulars	Quarter ended			6 Months ended		Year ended
	September 30, 2020 (Unaudited)	June 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	September 30, 2020 (Unaudited)	September 30, 2019 (Unaudited)	March 31, 2020 (Audited)
1 Revenue from Operations	7,032.4	3,012.4	7,472.0	10,044.8	15,240.3	28,415.8
Other Income	77.8	152.7	232.2	230.5	403.7	1,039.2
Total Income	7,110.2	3,165.1	7,704.2	10,275.3	15,644.0	29,455.0
2 Expenses						
(a) Cost of materials consumed	1,562.0	473.0	1,559.6	2,035.0	3,215.6	6,028.0
(b) Purchases of stock-in-trade	1,739.8	1,450.2	3,366.2	3,190.0	6,360.9	12,032.2
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,114.6	(84.5)	(146.8)	1,030.1	(109.6)	(155.0)
(d) Employee benefits expenses	578.6	567.2	596.4	1,145.8	1,239.4	2,396.6
(e) Depreciation and amortisation expenses	145.2	144.7	141.4	289.9	280.0	571.2
(f) Finance cost	8.0	5.0	24.5	13.0	50.8	94.8
(g) Other expenses	1,119.2	612.8	1,146.5	1,732.0	2,383.7	4,619.5
Total Expenses	6,267.4	3,168.4	6,687.8	9,435.8	13,420.8	25,587.3
3 Profit/(Loss) before Tax	842.8	(3.3)	1,016.4	839.5	2,223.2	3,867.7
4 Income tax expense :						
Current tax	234.0	-	155.1	234.0	585.7	901.5
Deferred tax charge / (credit)	(16.0)	(0.8)	15.1	(16.8)	11.9	90.1
Short / (excess) tax provision for earlier years	(25.4)	-	0.0	(25.4)	0.0	(13.8)
Total tax expense	192.6	(0.8)	170.2	191.8	597.6	977.8
5 Profit/(Loss) for the period (3 - 4)	650.2	(2.5)	846.2	647.7	1,625.6	2,889.9
6 Other comprehensive income, net of income tax -						
Items that will not be reclassified to profit and loss						
Remeasurement of post employment benefits obligation	-	-	-	-	-	(122.4)
Income tax (charge) / credit relating to these items	-	-	-	-	-	30.8
Other comprehensive income for the year (net of tax)	-	-	-	-	-	(91.6)
7 Total comprehensive income for the period (5 + 6)	650.2	(2.5)	846.2	647.7	1,625.6	2,798.3
8 Paid-up Equity Share Capital (face value Rs. 10/-)	494.4	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
10 Earnings Per Share (of Rs.10/- each)						
a Basic (not to be annualised)	13.2	(0.1)	17.1	13.1	32.9	58.5
b Diluted (not to be annualised)	13.2	(0.1)	17.1	13.1	32.9	58.5



SKF INDIA LIMITED
Statement of Assets and Liabilities

SKF

(Rs. in Millions)

Particulars	As at September 30, 2020 (Unaudited)	As at March 31, 2020 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	3,183.7	3,145.5
Right-of-use assets	213.9	206.7
Capital Work-in-progress	294.5	410.7
Investment properties	160.1	163.4
Intangible assets	1.5	0.9
Financial assets		
Loans to related party	800.0	800.0
Others	547.2	504.6
Deferred tax assets (net)	186.0	169.1
Non-Current Tax Asset (net)	903.7	784.8
Other non-current assets	142.9	106.7
Total non-current assets	6,433.5	6,292.4
Current Assets		
Inventories	3,513.9	4,517.8
Financial Assets		
Investment in Government securities	-	1,971.8
Trade receivables	4,670.8	4,357.0
Cash and cash equivalents	1,922.3	1,162.5
Bank balance other than above	1,295.7	5,020.4
Loans to related party	69.3	472.1
Others Financial assets	264.1	301.9
Other Current Assets	598.5	597.7
Total current assets	12,334.6	18,401.2
TOTAL ASSETS	18,768.1	24,693.6
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	494.4	494.4
Other Equities		
Reserves and surplus	12,778.6	18,558.1
Total Equity	13,273.0	19,052.5
Non-current liabilities		
Financial Liabilities		
Lease Liability	140.5	133.0
Employee benefit obligation	276.9	272.2
Provisions	56.9	70.9
Total non-current liabilities	474.3	476.1
Current Liabilities		
Financial Liabilities		
Borrowings	300.0	-
Lease Liability	93.2	85.1
Trade Payables	3,708.5	4,120.1
Other current Financial liabilities	518.8	485.9
Employee benefit obligations	182.3	227.5
Provisions	150.9	129.3
Current Tax Liabilities (Net)	-	-
Other current liabilities	67.1	117.1
Total current liabilities	5,020.8	5,165.0
Total Liabilities	5,495.1	5,641.1
TOTAL EQUITY AND LIABILITIES	18,768.1	24,693.6



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SKF INDIA LIMITED
Statement of Cash Flow

(Rs. in Millions)

	Six Months ended	
	September 30, 2020	September 30, 2019
A. <u>Cash flow from Operating Activities</u>		
Profit before tax	839.5	2,223.2
Adjusted for :		
Depreciation and amortisation expenses	289.9	280.0
Profit on sale of fixed assets (net)	(12.0)	(2.1)
Finance cost	13.0	50.8
Interest income	(187.0)	(290.1)
Operating Profit before working capital changes	103.9	38.6
Adjusted for :		
Decrease / (increase) in inventories	1,003.7	28.8
Decrease / (increase) in trade receivables	(313.8)	(292.4)
Decrease / (increase) in current & non-current assets	(95.1)	(353.4)
(Decrease) / increase in trade payables	(411.3)	558.3
(Decrease) / increase in other liabilities and provisions	(73.3)	62.5
	110.2	3.8
Cash generated from operations	1,053.6	2,265.6
Direct taxes paid (net of refunds)	(327.5)	(778.2)
Net cash flow from Operating Activities (A)	726.1	1,487.4
B. <u>Cash flow from Investing Activities</u>		
Sale /(Purchase) of investments	1,971.5	(1,030.3)
Purchase of Property Plant & Equipment	(224.4)	(616.4)
Sale of Property Plant & Equipment	43.8	8.1
Deposits placed during the year	(210.0)	(3,230.0)
Deposits matured during the year	3,934.7	3,442.5
Interest Received	231.6	229.5
Interest Earned on loan to related party	48.2	60.0
Repayment of loan by related party	394.0	75.0
Net cash from / used in Investing Activities (B)	6,189.4	(1,061.6)
C. <u>Cash flow from Financing Activities</u>		
Proceeds/(Repayment) of Borrowings (net)	300.0	-
Dividend paid (including tax on distributed profits)	(6,411.6)	(716.5)
Principal elements of lease payments	(31.1)	(29.3)
Finance cost	(13.0)	(50.8)
Net cash used in Financing Activities (C)	(6,155.7)	(796.6)
Net changes in Cash and Cash Equivalents (A+B+C)	759.8	(370.8)
Cash and Cash Equivalents at beginning of the year	1,162.5	1,183.6
Cash and Cash Equivalents at the end of the year	1,922.3	812.8
Net changes in Cash and Cash Equivalents	759.8	(370.8)



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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 spread of COVID-19 has severely impacted businesses in many countries, including India and there has been severe disruption to regular business operations due to lock downs, disruptions in transport, supply chain, quarantines, social distancing and other emergency measures. The Company resumed its operations across the country in a phased manner once the Government of India had progressively relaxed the lockdown. With the ease in restrictions, the Company has seen an upside in the demand and consequent revenues in the current quarter. The Company has also made assessment of liquidity, recoverable values of its financial and non-financial assets etc. and has concluded that there are no material adjustments required in the interim financial results. However the impact assessment of COVID-19 is a continuous process, given the uncertainties associated with its nature and duration. The Company will continue to closely monitor any material changes to future economic conditions.
- 4 In the Annual General Meeting dated July 23, 2019, the Company obtained shareholders' approval for the payment of general license fees (royalty and trademark fees) to AB SKF, at the rate of 5% of the total net sales of the products manufactured by it, for a period of 5 (five) years. Subsequently, a proposal was placed in the AGM dated July 23, 2020 to obtain the approval for perpetuity in line with the existing general license agreements. Since the proposed modification did not receive the shareholders' assent, the Company continues to comply with the existing shareholders' approval accorded for 5 years in 2019. On the expiry of 5 years, the proposal for payment of general license fees may be placed again before the shareholders after due evaluation of the prevailing laws for the time being in force.
- 5 Previous period's figures have been regrouped wherever necessary to conform to current period's classification.
- 6 The above results were reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on October 27, 2020.
- 7 The auditors of the Company have conducted a limited review of the financial results for the quarter ended September 30, 2020. An unqualified report has been issued by them thereon.

Date :- October 27, 2020
Place :- Pune



SKF India Limited


Manish Bhatnagar
Managing Director

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