

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF EQUITY SHAREHOLDERS/ BENEFICIAL OWNERS OF EQUITY SHARES OF SKF INDIA LIMITED IN CONNECTION WITH THE BUYBACK OF EQUITY SHARES THROUGH THE TENDER OFFER

This Public Announcement ("Public Announcement") is being made in relation to the Buyback (as defined hereinafter) of Equity Shares (as defined hereinafter) of SKF India Limited through the tender offer process, pursuant to Regulation 8(1) and other applicable provisions of the Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998, for the time being in force including any statutory modifications and amendments from time to time ("SEBI Buyback Regulations") and contains the disclosures as specified in Part A of Schedule II to the SEBI Buyback Regulations.

OFFER FOR BUYBACK OF NOT EXCEEDING 2,600,000 FULLY PAID UP EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH AT A PRICE OF ₹ 1,500 PER FULLY PAID UP EQUITY SHARE ON A PROPORTIONATE BASIS THROUGH THE TENDER OFFER PROCESS

1. DETAILS OF THE BUYBACK AND BUYBACK PRICE

1.1. Pursuant to the resolution passed by the Board of Directors of SKF India Limited (the "Company") (the Board of Directors of the Company are hereinafter referred to as the "Board" or the "Board of Directors") on February 13, 2017 ("Board Resolution") and the special resolution passed by the shareholders of the Company, pursuant to postal ballot (including e-voting) notice dated February 13, 2017, the results of which were declared on March 23, 2017, the Company hereby announces the buyback of not exceeding 2,600,000 fully paid-up equity shares of the Company of the face value ₹ 10 each ("Equity Shares") from the shareholders/ beneficial owners of Equity Shares as on April 7, 2017 (the "Record Date") (for further details in relation to the Record Date, refer to Paragraph 8 of this Public Announcement), on a proportionate basis, through the "tender offer" process, in accordance with the Article 63 of the articles of association of the Company, Sections 68, 69 and 70, and other applicable provisions of the Companies Act, 2013, including any statutory modification(s) or re-enactment thereof (the "Act") and applicable rules thereunder including the Companies (Share Capital and Debentures) Rules, 2014, the SEBI Buyback Regulations, at a price of ₹ 1,500 (Rupees one thousand and five hundred only) per Equity Share ("Buyback Price") payable in cash, for an aggregate maximum amount of ₹ 3,900,000,000/- (Rupees three billion and nine hundred million only) (the "Buyback Size") (the process being referred hereinafter as the "Buyback"). The Buyback Size and the Buyback Price do not include brokerage costs, fees, turnover charges, taxes such as securities transaction tax and service tax (if any), stamp duty and other transaction charges. The Buyback Size represents 24.85% of the aggregate of the Company's paid-up Equity Share capital and free reserves as at March 31, 2016. The Buyback is subject to receipt of such approvals, permissions and sanctions, as may be required under the applicable laws including from the Securities and Exchange Board of India ("SEBI"), and/ or the Stock Exchanges (hereinafter defined).

1.2. The maximum amount required by the Company for the Buyback, i.e., the Buyback Size of not exceeding ₹ 3,900,000,000/- (Rupees three billion and nine hundred million only) will be sourced out of the free reserves of the Company including securities premium account or such other source as may be permitted under the SEBI Buyback Regulations and/ or the Act. The Buyback Size will not exceed 25% of the aggregate of the paid up Equity Share capital and free reserves of the Company. The Buyback Price has been arrived at after considering various factors including, but not limited to the trends in the volume weighted average prices of the Equity Shares on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE"), i.e., the stock exchanges where the Equity Shares are listed (BSE and NSE are hereinafter together referred to as the "Stock Exchanges"), the net worth of the Company, price earnings ratio, impact on other financial parameters and the possible impact of Buyback on the earnings per Equity Share ("EPS").

1.3. The Buyback Price represents: (i) premium of 13.91% and 14.33% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, during the three months preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback; and (ii) premium of 13.53% and 13.22% over the volume weighted average market price of the Equity Shares on BSE and on NSE, respectively, for two weeks preceding the date of intimation to the Stock Exchanges for the Board Meeting to consider the proposal of the Buyback.

1.4. A copy of this Public Announcement is available on the Company's website (www.skfindia.com) and is expected to be made available on the website of the Securities and Exchange Board of India ("SEBI"), (www.sebi.gov.in) and on the websites of Stock Exchanges, (i.e., www.bseindia.com and www.nseindia.com) during the period of the Buyback.

2. NECESSITY FOR BUYBACK

2.1. The Board of Directors is of the view that the proposed Buyback will help the Company achieve the following objectives:

- Optimize returns to shareholders;
- Enhance overall shareholders' value and
- Optimize the capital structure

The above objectives will be achieved by returning a part of surplus cash back to the Company's shareholders/ beneficial owners holding Equity Shares as on the Record Date (such shareholders/ beneficial owners are hereinafter referred to as the "Eligible Shareholders") through the Buyback process. This may lead to reduction in outstanding Equity Shares, improvement in EPS and enhanced return on invested capital. The Buyback will not in any manner impair the ability of the Company to pursue the growth opportunities or meet its cash requirements for business operations.

2.2. The Buyback is being undertaken, *inter alia*, for helping the Company to return surplus cash to the Eligible Shareholders broadly in proportion to their shareholding, thereby, enhancing the overall return to the shareholders. The Buyback may also help in improvement on return on equity, by reduction in the equity base, thereby leading to long term increase in shareholders' value.

2.3. The Buyback being implemented through the tender offer process as prescribed under the SEBI Buyback Regulations, would involve reservation for Small Shareholders (hereinafter defined) of 15% of the number of Equity Shares to be bought back or number of Equity Shares as per their entitlement, whichever is higher. The reservation for Small Shareholders would benefit a large number of public shareholders.

2.4. As required under Section 68(2)(d) of the Act, the ratio of the aggregate of secured and unsecured debts owed by the Company shall not be more than twice the paid up Equity Share capital and free reserves post the Buyback.

2.5. After considering the abovementioned factors and benefits to the shareholders, the Board of Directors decided to recommend the Buyback.

3. DETAILS OF PROMOTERS SHAREHOLDING AND OTHER DETAILS

3.1. Except as stated below, none of the (i) promoters; (ii) members of the promoter group (iii) directors of the promoter, promoter group entities (where such promoter or member of the promoter group is a company); and (iv) persons who are in control of the Company, hold any Equity Shares as on the date of the Board Resolution and the notice of postal ballot (i.e., February 13, 2017):

Sr. No.	Name	No. of Equity Shares held	Percentage of paid-up Equity Share capital
1.	Aktiebolaget SKF ("AB SKF")	24,639,048	46.72%
2.	SKF UK Limited	3,402,000	6.45%
3.	SKF Forvaltning AB	213,520	0.4%
	Total	28,254,568	53.58%

3.2. None of the directors and/ or the key managerial personnel of the Company hold any Equity Shares as on the date of the Board Resolution and the notice of postal ballot (i.e., February 13, 2017) except for the following:

Sr. No.	Name	No. of Equity Shares held	Percentage of paid-up Equity Share capital
1.	Mr. Prakash Telang (Independent Director)	1,000	Negligible

3.3. No Equity Shares or other specified securities of the Company were either purchased or sold by the persons mentioned in Paragraphs 3.1 and 3.2 above, during a period of six months preceding the date of the Board Resolution, which is also the date of notice for postal ballot (i.e., February 13, 2017).

3.4. Intention of promoter and members of the promoter group to participate in the Buyback:

(a) AB SKF, SKF UK Limited and SKF Forvaltning AB, forming part of our promoter and members of the promoter group, pursuant to their letters each dated February 13, 2017, have declared and confirmed that they intend to participate in the Buyback and they may tender up to a maximum number of Equity Shares as detailed below or such lower number of Equity Shares as may be permitted under the applicable law.

Sr. No.	Name	Maximum number of Equity Shares which may be tendered
1.	AB SKF	1,215,272
2.	SKF UK Limited	167,797
3.	SKF Forvaltning AB	10,531

(b) The details of the date and price of acquisition of the Equity Shares that the certain of our promoters and members of the promoter group intend to tender in the Buyback are set out below:

AB SKF			
Date	No. of Equity Shares	Issue Price/ Transfer Price* (in ₹)	Consideration
April 1, 1961	50,000*	10*	Original subscription to Memorandum of Association
May 9, 1962	1,165,272*	10*	Further issuance of equity shares
Total	1,215,272		

Maximum Equity Shares intended to be tendered 1,215,272

SKF UK Limited			
Date	No. of Equity Shares	Issue Price/ Transfer Price* (in ₹)	Consideration
May 9, 1962	167,797*	10*	Further issuance of equity shares
Total	167,797		

Maximum Equity Shares intended to be tendered 167,797

SKF Forvaltning AB			
Date	No. of Equity Shares	Issue Price/ Transfer Price* (in ₹)	Consideration
May 9, 1962	10,531*	10*	Further issuance of equity shares
Total	10,531		

Maximum Equity Shares intended to be tendered 10,531

Notes: * Each equity share of the Company of the face value of ₹ 100 was split into ten equity shares of ₹ 10 each with effect from October 3, 2001.

* The equity shares were originally issued at the face value of ₹ 100 each.

(c) During the period of last 12 months, the persons mentioned in the Paragraph 3.4(a) have not purchased or sold any Equity Shares.

3.5. The promoters and members of promoter group of the Company, the directors of the promoter, promoter group entities (where such promoter or member of the promoter group is a company) and the persons who are in control of the Company will not deal in the Equity Shares on the Stock Exchanges, or off market, including inter-se transfer of Equity Shares amongst themselves from the date of the Board Resolution until the closing of the Buyback.

4. NO DEFAULTS

The Board of Directors has confirmed that there are no defaults subsisting in the repayment of deposits or interest payment thereon, redemption of debentures or interest payment thereon, or redemption of preference shares, or payment of dividend due to any shareholder, or repayment of any term loans or interest payable thereon to any financial institution or banking company.

5. CONFIRMATION BY THE BOARD OF DIRECTORS

The Board of Directors has confirmed that on the date of the Board Resolution (February 13, 2017) it has made a full enquiry conducted into the affairs and prospects of the Company, the Board of Directors has formed the opinion that:

(a) immediately following the date of the Board Resolution (February 13, 2017), and the date on which the results of shareholders' resolution passed by way of Postal Ballot/ E-voting ("Postal Ballot Resolution") will be declared, there are no grounds on which the Company can be found unable to pay its debts;

(b) as regards the Company's prospects for the year immediately following the date of the Board Resolution (February 13, 2017) and for the year immediately following the Postal Ballot Resolution, and having regard to the Board's intention with respect to the management of the Company's business during that year, and to the amount and character of the financial resources which will in the Board's view be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the Board Resolution as well as the date of the Postal Ballot Resolution; and

(c) in forming an opinion as aforesaid, the Board has taken into account the liabilities, as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).

6. REPORT BY THE COMPANY'S STATUTORY AUDITOR

The text of the report dated March 23, 2017 received from Price Waterhouse & Co Bangalore LLP, the statutory auditor of the Company, addressed to the Board of Directors of the Company is reproduced below:

Quote:

The Board of Directors

SKF India Limited

Mahatma Gandhi Memorial Building,

Netaji Subash Road, Charni Road, Mumbai 400 002

Auditors' Report on Buy Back of Shares pursuant to the requirement of Schedule II to Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 and the Companies Act, 2013 and the rules thereunder

- This report is issued in accordance with our agreement dated February 10, 2017.
- We have been engaged by SKF India Limited (the "Company") to perform a reasonable assurance engagement on determination of the amount of permissible capital payment as detailed in the accompanying Annexure I in connection with the proposed buy back by the Company of its equity shares in pursuance of Section 68 and Section 70 of the Companies Act, 2013 (the "Act") and The Companies (Share Capital and Debentures) Rules, 2014 and the regulations as specified in the 'Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998' and amendments thereto (the "Regulations") and on the opinions expressed by the Board of Directors of the Company, as required under the Regulations. We have initiated the Annexure I for identification purposes only.

Board of Directors Responsibility

- The Board of Directors of the Company is responsible for the following:
 - The amount of capital payment for the buy-back is properly determined; and
 - It has made a full inquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one year from the date on which the results of the shareholders' resolution passed by way of postal ballot/ E-voting approving the Buyback is declared; and
 - A declaration is signed by at least two directors of the Company, that the Board of Directors has made a full enquiry into the affairs and prospects of the Company and has formed the opinion that the Company will not be rendered insolvent within a period of one (1) year from the date of the Board meeting at which the proposal for buyback of 2,600,000 fully paid up equity shares of face value ₹ 10/- each representing 4.93% of the existing paid up equity share capital of the Company ("Buyback") was approved and from the date on which the results of the shareholders' resolution passed by way of postal ballot/ E-voting approving the Buyback is declared and in forming the opinion, it has taken into account the liabilities as if the Company were being wound up under the provisions of the Act.

Auditor's Responsibility

- Pursuant to the requirement of the Regulations, it is our responsibility to obtain reasonable assurance on the following "Reporting Criteria":
 - whether the amount of capital payment for the buy-back is within the permissible limit is properly determined and computed in accordance with the provisions of Section 68 of the Act, and
 - whether the Board of Directors has formed the opinion, as specified in Clause (x) of Part A of Schedule II to the Regulations, on reasonable grounds that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date of the board meeting and from the date on which the results of the shareholders' resolution passed by way of postal ballot/ E-voting approving the Buyback is declared.
- A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the Reporting Criteria. The procedures selected depend on the auditor's judgment, including the assessment of the risks associated with the Reporting Criteria. Within the scope of our work, we performed the following procedures:
 - Examined authorisation for buy back from the Articles of Association of the Company;
 - Examined that the amount of capital payment as detailed in Annexure I for the buy-back is within the permissible limit computed in accordance with the provisions of Section 68 of the Act;
 - Examined that the ratio of the debt owned by the Company, if any, is not more than twice the capital and its free reserves after such buy-back;
 - Examined that all the shares for buy-back are fully paid-up;
 - Inquired into the state of affairs of the Company with reference to the audited financial statements of the Company as at and for the 15 months ended March 31, 2016 (the "Audited Financial Statements") and unaudited financial statements for the nine month ended December 31, 2016 which has been prepared by the Management of the Company; and examined budgets and projections prepared by the Management.
 - Examined minutes of the meetings of the Board of Directors and resolution passed by the shareholders pursuant to a postal ballot;
 - Examined Directors' declarations for the purpose of buy-back and solvency of the Company; and
 - Obtained appropriate representations from the Management of the Company.
- We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes' issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
- We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
- The financial statements referred to in paragraph 5 (v) above, have been audited by us on which we issued an unmodified audit opinion vide our report dated May 10, 2016. Our audit of these financial statements was conducted in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audits were not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

Opinion

- As a result of our performance of aforementioned procedures, we report that:
 - The amount of capital payment of INR 3,900 Million for the shares in question, as stated in the accompanying certified extract of the minutes of the Board of Directors' meeting held on February 13, 2017, which we have initiated for identification, is within the permissible capital payment of INR 3,923 Million, calculated based on the Audited Financial Statements as on March 31, 2016, which, in our opinion, is properly determined in accordance with Section 68 of the Act and
 - The Board of Directors in their meeting held on February 13, 2017 has formed the opinion, as specified in Clause (x) of part A of Schedule II to the Regulations, on reasonable grounds and that the Company having regard to its state of affairs will not be rendered insolvent within a period of one year from date of the Board Meeting for buyback and from the date on which the results of the shareholders' resolution passed by way of postal ballot/ E-voting approving the Buyback is declared.

Restriction on Use

- Our work was performed solely to assist you in meeting your responsibilities with reference to the Regulations and the Act. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have (or may have had) as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.

This report is addressed to and provided to the Board of Directors of the Company pursuant to the requirements of the Regulations solely to enable the Board of Directors of the Company to include in the Public Announcement to be made to the shareholders of the Company, which will be filed with (a) the Registrar of Companies as required by the Regulations (b) the National Securities Depository Limited and the Central Depository Services (India) Limited for the purpose of extinguishment of equity shares (c) merchant banker to the Buyback appointed by the Company; (d) the authorised dealer for the purpose of capital payment, and (e) Securities and Exchange Board of India, the BSE Limited and the National Stock Exchange of India Limited and should not be used for any other purpose. Price Waterhouse & Co Bangalore LLP does not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report, or Public Announcement which includes our report, is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

For Price Waterhouse & Co Bangalore LLP

Firm Registration Number: 0075675 / S - 200012

Chartered Accountants

Neeraj Sharma,

Partner

Membership Number: 108391

Annexure 1

Statement of determination of the permissible capital payment towards Buy back of Equity Shares in accordance with Section 68 of the Companies Act, 2013

Particulars as on March 31, 2016	Amount in ₹ millions
Paid up Equity share capital as on March 31, 2016	527
Free Reserves	
Securities Premium	705
General Reserve	7,225
Surplus in Statement of Profit and Loss	7,237
Total Reserves	15,167
Total paid up capital and free reserves	15,694
Maximum amount permissible for buy back under Section 68 of the Companies Act, 2013 (25% of paid up capital and free reserves)	3,923
Maximum amount permitted by Board resolution dated February 13, 2017 approving buyback, based on the audited accounts for the year ended March 31, 2016	3,900

Unquote

7. PROCESS AND METHODOLOGY TO BE ADOPTED FOR BUYBACK PROCESS

7.1. The Buyback is open to all Eligible Shareholders, i.e., the shareholders who on the Record Date were holding Equity Shares either in physical form ("Physical Shares") and the beneficial owners who on the Record Date were holding Equity Shares in the dematerialized form ("Demat Shares").

7.2. The Buyback will be implemented using the "Mechanism for acquisition of shares through Stock Exchange" issued by SEBI vide circular no. CIR/CFD/POLICYCELL/1/2015 dated April 13, 2015 and circular no. CFD/DCR2/CIR/P/2016/131 dated December 9, 2016, and the procedure prescribed in the notice issued by BSE bearing reference number 20170202-34, dated February 2, 2017, and in accordance with the procedure prescribed in the Act and the SEBI Buyback Regulations, and as may be determined by the Board of Directors, or the Buyback Committee (a committee constituted by the Board to exercise its powers in relation to the Buyback, the "Buyback Committee"), on such terms and conditions as may be permitted by law from time to time. In this regard, the Company will require BSE to provide the Acquisition Window (defined hereinafter). For the purpose of this Buyback, BSE would be the Designated Stock Exchange.

7.3. For implementation of the Buyback, the Company has appointed ICICI Securities Limited as the registered broker to the Company (the "Company's Broker") through whom the purchases and settlements on account of the Buyback would be made by the Company. The contact details of the Company's Broker are as follows:

ICICI Securities Limited
ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, India
Tel.: +91 22 2288 2460 Fax: +91 22 2282 6580

Contact Person: Alwyn Cardozal/ Mitesh Shah/ Arjun A Mehrotra

7.4. The Company shall request BSE to provide a separate window (the "Acquisition Window") to facilitate placing of sell orders by the Eligible Shareholders who wish to tender their Equity Shares in the Buyback. The details of the platform will be as specified by BSE from time to time.

7.5. At the beginning of the tendering period, the order for buying Equity Shares will be placed by the Company through Company's Broker. During the tendering period, the order for selling the Equity Shares will be placed in the Acquisition Window by the Eligible Shareholders through their respective stock brokers ("Shareholder Broker") during normal trading hours of the secondary market. The Shareholder Broker can enter orders for Demat Shares as well as Physical Shares. In the tendering process, the Company's Broker may also process the orders received from the Eligible Shareholders.

Procedure to be followed by shareholders holding Demat Shares:

- Eligible Shareholders holding Demat Shares who desire to tender their Demat Shares under the Buyback would have to do so through their respective Shareholder Broker by indicating to the concerned Shareholder Broker, the details of Equity Shares they intend to tender under the Buyback. The Shareholder Broker would be required to place an order/ bid on behalf of the Eligible

Shareholder who wish to tender Demat Shares in the Buyback using the Acquisition Window of the BSE. Before placing the bid, the Eligible Shareholder would be required to transfer the tendered Demat Shares to the Indian Clearing Corporation Limited ("Clearing Corporation"), by using the early pay in mechanism prior to placing the bid by the Shareholder Broker.

- For custodian participant orders for Demat Shares, early pay-in is mandatory prior to confirmation of order / bid by custodians. The custodian shall either confirm or reject the orders not later than 6:00 p.m. on the last day of the tendering period. Thereafter, unconfirmed orders shall be deemed to be rejected. For all confirmed custodian participant orders, any order modification shall revoke the custody an confirmation and the revised order shall be sent to the custodian again for confirmation.
- Upon placing the bid, the Shareholder Broker shall provide a Transaction Registration Slip ("TRS") generated by the stock exchange bidding system to the Eligible Shareholder on whose behalf the order / bid has been placed. TRS will contain details of order submitted like Bid ID No., Application No., DP ID, Client ID, No. of Equity Shares tendered etc.
- Modification/ cancellation of orders will be allowed during the tendering period of the Buyback.
- The cumulative quantity tendered shall be made available on the website of BSE i.e., www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period.

7.7. Procedure to be followed by the shareholders holding Physical Shares:

- Eligible Shareholders who are holding Physical Shares and intend to participate in the Buyback will be required to approach their respective Shareholder Broker along with the complete set of documents for verification procedures to be carried out before placement of the bid. Such documents will include: (i) tender form duly signed (by all shareholders in case Equity Shares are held in joint names) in the same order in which they hold the Equity Shares; (ii) original share certificate(s); (iii) valid Form SH.4 (share transfer form) duly filled and signed by the transferors (i.e., by all shareholders who are transferring the Physical Shares in the same order and as per the specimen signatures registered with the Company) and duly witnessed at the appropriate place authorizing the transfer in favour of the Company, (iv) self-attested copy of shareholder(s) PAN Card(s), (v) any other relevant documents such as power of attorney, corporate authorization (including board resolution/ specimen signature), notarized copy of death certificate and succession certificate or probated will, if the original shareholder is deceased, etc., as applicable. In addition, if the address of the shareholder has undergone a change from the address registered in the Register of Members of the Company, the shareholder would be required to submit a self-attested copy of address proof consisting of any one of the documents such as the valid Aadhar card, voter identity card or passport.
- Based on these documents, the concerned Shareholder Broker shall place a bid on behalf of the shareholders holding Physical Shares and who wish to tender Equity Shares in the Buyback, using the Acquisition Window of BSE. Upon placing the bid, the Shareholder Broker shall provide a TRS generated by the stock exchange bidding system to the shareholder. TRS will contain the details of order submitted such as the folio no., certificate no., distinctive no., no. of Equity Shares tendered etc.
- Any Shareholder Broker who places a bid for Physical Shares, is required to deliver the original share certificate(s) & documents (as mentioned in Paragraph 7.7 (a) above) along with TRS generated by the stock exchange bidding system upon placing of a bid, either by registered post, speed post or courier or hand delivery to the Registrar to the Buyback (at the address mentioned in Paragraph 10 below) not later than 2 (two) days of bidding by the Shareholder Broker. The envelope should be superscribed as "SKF India Limited Buyback Offer 2017". One copy of the TRS will be retained by Registrar to the Buyback and it will provide acknowledgement of the same to the Shareholder Broker.
- Shareholders holding Physical Shares should note that Physical Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares for Buyback by the Company shall be subject to verification as per the SEBI Buyback Regulations and any further directions issued in this regard. Registrar to the Buyback will verify such bids based on the documents submitted on a daily basis and till such verification, the BSE shall display such bids as 'unconfirmed physical bids'. Once Registrar to the Buyback confirms the bids, they will be treated as 'confirmed bids'.
- Modification/ cancellation of orders will be allowed during the tendering period of the Buyback.
- The cumulative quantity tendered shall be made available on the website of BSE i.e., www.bseindia.com throughout the trading session and will be updated at specific intervals during the tendering period.

7.8. METHOD OF SETTLEMENT

Upon finalization of the basis of acceptance as per SEBI Buyback Regulations:

- The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- The Company will transfer the funds pertaining to the Buyback to the Clearing Corporation's bank account as per the prescribed procedure.
- The Demat Shares bought back would be transferred directly to the demat account of the Company opened for the Buyback (the "Company Demat Account") provided it is indicated by the Company's Broker or it will be transferred by the Company's Broker to the Company Demat Account on receipt of the Equity Shares from the Clearing Corporation of BSE.
- The shareholders of the Demat Shares will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Demat Shares, due to rejection or due to non-acceptance in the Buyback.
- Excess Demat Shares or unaccepted Demat Shares, if any, tendered by the Eligible Shareholder would be returned to them by the Clearing Corporation. Any excess Physical Shares pursuant to proportionate acceptance/ rejection will be returned back to the concerned shareholders directly by the Registrar to the Buyback. The Company is authorized to split the share certificate and issue new consolidated share certificate for the unaccepted Physical Shares, in case the Physical Shares accepted by the Registrar are less than the Physical Shares tendered in the Buyback.
- The settlements of fund obligation for Demat Shares and Physical Shares shall be effected as per the SEBI circulars and as prescribed by BSE and Indian Clearing Corporation Limited from time to time. For Demat Shares accepted under the Buyback, such beneficial owners will receive funds payout in their bank account as provided by the depository system directly to the Clearing Corporation and in case of Physical Shares the Clearing Corporation will release the funds to the Shareholder Broker(s) as per secondary market payout mechanism. If such shareholder's bank account details are not available or if the funds transfer instruction is rejected by the Reserve Bank of India ("RBI") bank(s), due to any reasons, then the amount payable to the concerned shareholders will be transferred to the Shareholder Broker for onward transfer to such shareholders.
- In case of certain shareholders viz., NRIs, non-residents etc. (where there are specific regulatory requirements pertaining to funds payout including those prescribed by the RBI) who do not opt to settle through custodians, the funds payout would be given to their respective Shareholder Broker's settlement accounts for releasing the same to such shareholder's account.
- The Shareholder Broker would issue contract note to the Eligible Shareholders tendering Equity Shares in the Buyback. The Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Buyback.
- Eligible Shareholders who intend to participate in the Buyback should consult their respective Shareholder Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Shareholder Broker upon the selling Shareholders for tendering Equity Shares in the Buyback (secondary market transaction). The Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling Shareholders.
- The Equity Shares lying to the credit of the Company Demat Account and the Physical Shares bought back and accepted will be extinguished in the manner and following the procedure prescribed in the SEBI Buyback Regulations.

8. RECORD DATE AND SHAREHOLDER ENTITLEMENT

8.1. As required under the SEBI Buyback Regulations, the Company has fixed Friday, April 7, 2017 as the Record Date for the purpose of determining the entitlement and the names of the shareholders of the Equity Shares, who are eligible to participate in the Buyback.

8.2. The Equity Shares to be bought back, as part of the Buyback is divided into two categories:

- reserved category for Small Shareholders (defined under Regulation 2 (1)(ia) of the SEBI Buyback Regulations as a shareholder, who holds shares or other specified securities whose market value, on the basis of closing price on the recognized stock exchange registering the highest trading volume, as on record date, is not more than ₹ 2 lakhs); and
- the general category for all other shareholders, and the entitlement of a shareholder in each category shall be calculated accordingly.

8.3. The reserved category for Small Shareholders shall be 15% of the number of Equity Shares which the Company proposes to Buyback, or number of Equity Shares entitled as per shareholding of Small Shareholders, whichever is higher.

8.4. Based on the shareholding as on the Record Date, the Company will determine the entitlement of each shareholder to tender their Equity Shares in the Buyback. This entitlement for each shareholder will be calculated based on the number of Equity Shares held by the respective shareholder as on the Record Date and the ratio of Buyback applicable in the category to which such shareholder belongs. The final number of Equity Shares the Company will purchase from the Eligible Shareholders will be based on the Equity Shares tendered. Accordingly, in the event of the overall response to the tender offer