



SNL BEARINGS LIMITED

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CHAIRPERSON'S SPEECH

45th ANNUAL GENERAL MEETING – SEPTEMBER 11, 2025

Ladies and Gentlemen

It gives me great pleasure to welcome you all to the 45th Annual General Meeting of SNL Bearings Limited. The government's consent for virtual meetings is valid till 30th September 2025, and maybe we can look forward to alternate modes in the near future.

Economic Environment & Company's Performance

Global economic activity has remained resilient despite continuing challenges arising from geopolitical tensions, supply chain realignments and the uneven recovery across regions. The IMF has projected global growth at around 3.2% in 2025, supported by resilience in the United States and several emerging economies, though uncertainties remain around inflationary pressures arising from US tariff uncertainties and slowing consumer demand as supply source options are re-evaluated.

Aided by tighter monetary policies, advanced economies are expected to witness modest growth recovery in 2025, while emerging and developing economies will continue to be the primary drivers of global expansion.

India Overview

India continues to remain the bright spot in the global economy. The IMF projects growth at 6.5% for FY25–26, driven by strong domestic demand, structural reforms, and a robust infrastructure push by the government. India is poised to become the world's third-largest economy by 2030, overtaking Japan and Germany.

The automobile sector, a vital contributor to the Indian economy, accounting for nearly 7.5% of GDP, continues to show healthy momentum. FY24–25 saw continued growth in vehicle sales, though the pace moderated after the exceptional rebound in FY23–24. Passenger vehicles and two-wheelers led the demand, while the commercial vehicle segment remained steady. With government initiatives in EV adoption, charging infrastructure, and PLI incentives, the long-term outlook for the auto sector remains highly positive.

Outlook

India's economic growth rate is projected stronger than many peer economies and reflects relatively robust domestic consumption and lesser dependence on global demand. The

government's strong infrastructure push, by way of industrial corridor development and digital transformation, will contribute significantly to raising industrial competitiveness and boosting future growth. Improving labour market conditions, increasing consumer confidence and spending is driving growth in private consumption and presents significant opportunities.

India's annual vehicle sales are projected to touch 10 million units by 2030, with internal combustion engines, hybrids, CNG, and EVs expected to co-exist in the medium term. Additionally spending on roads and railways infrastructure, building defense equipment manufacturing capabilities will continue to strengthen business sentiment. For suppliers like us, this transition has the potential to create new opportunities.

Company's Performance – FY 2024 – 25

During FY24–25, your Company recorded revenue from operations of ₹51.19 crores as compared to ₹47.69 crores in the previous year, an increase of 7.3%.

Profit after tax stood at ₹10.86 crores (previous year ₹7.82 crores), registering a healthy growth of 39%, aided by improved operational efficiencies and cost control measures, despite inflationary pressures on raw material costs.

Your Company has continued its strategic focus on:

- Broadening the customer base to optimally utilize installed capacities
- Driving operational efficiency and productivity
- Investing in new product development for hybrid and electric vehicle models

These initiatives align with our long-term growth vision.

Current Year – Q1 FY 25–26

For the quarter ended June 30, 2025, income from operations stood at ₹12.37 crores, as against ₹12.19 crores in the corresponding quarter of the previous year, reflecting a 1.5% increase.

Profit after tax for Q1 FY25–26 was ₹2.71 crores, compared to ₹2.59 crores in Q1 FY24–25, an increase of 4.6%.

The Company continues to pursue supply chain diversification, operational cost efficiency and customer base expansion, while accelerating new product development.

Members will be pleased to note that your company has made a breakthrough in its efforts to increase its export business, with a renowned European customer having placed orders for their requirements of special bearings used by the machine tools industry and also for other industrial business. We expect the business volumes to grow significantly in the next 2-3 years.

Acknowledgements

I thank you, our valued shareholders, for your continued trust and support. We are also grateful to our bankers, customers, and suppliers for their sustained confidence in us.

I place on record my sincere appreciation for the dedicated efforts of our management team and employees, as well as the guidance and support received from the holding company, NRB Bearings Limited.

With our strong fundamentals and proactive strategies, we remain confident about addressing future challenges and building on growth opportunities.

Harshbeena Zaveri

Chairperson

September 11, 2025