SNL BEARINGS LIMITED

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CHAIRPERSON'S SPEECH

46th ANNUAL GENERAL MEETING – AUGUST 11, 2026

ECONOMIC ENVIRONMENT & COMPANY'S PERFORMANCE

The financial year 2025–26 was marked by a rapidly evolving global economic landscape that tested the resilience of businesses across industries. The global economy continued to operate amid geopolitical tensions, evolving trade policies and economic uncertainty. The continuing Russia–Ukraine conflict, coupled with the recent escalation of tensions in West Asia, impacted global supply chains and contributed to volatility in commodity prices, fuel costs and logistics. In such an environment, adaptability, operational discipline and financial prudence became more important than ever.

Your Company stayed focused on operational excellence, manufacturing efficiency, product quality and customer satisfaction, enabling it to respond effectively to changing market conditions. Our performance during the year reflects prudent execution, sound financial management and an unwavering focus on creating sustainable long-term value for all our stakeholders.

INDIA OVERVIEW

Amidst an increasingly complex global environment, India once again demonstrated remarkable economic resilience and reinforced its position as one of the world's fastest-growing major economies. Robust domestic demand, prudent economic policies, sustained infrastructure investments and a strong manufacturing base ensured that the Indian economy continued to perform steadily despite global uncertainties. According to the International Monetary Fund (IMF), India's economy is projected to grow by 6.4% during FY 2026–27. As Favourable long-term growth prospects continue to inspire confidence in the Indian Economy and provide a solid foundation for sustained economic and industrial growth.

Reflecting this positive economic momentum, the Indian automotive industry delivered a strong performance with every major vehicle segment achieving record annual sales, and India has consolidated its position as the world’s third largest auto market. However, the industry has to be cognizant of the impact of geopolitical developments on commodity prices, freight costs and supply chain time lags. So, as we stay cautiously optimistic and vigilant, both.

OUTLOOK

While geopolitical developments and volatility in commodity prices may continue to pose near-term challenges, the long-term outlook for India's automotive and engineering sectors remains encouraging.

We remain focused on strengthening our competitive position through operational excellence, technological advancement, product quality enhancement, customer diversification, and are working on the implementation of a capital expenditure (Capex) plan of approximate ₹ 10 crore over the next two years for capacity expansion and modernization. As we grasp opportunities within Bearing and leverage our precision engineering expertise, both.

Company's Performance – FY 2025 – 26

I am pleased to report that your Company delivered another year of healthy operational performance. SNL Bearings Limited continued to serve Automotive OEMs, the replacement market and export customers with high-quality needle roller bearings and bearing components. During the year, we witnessed encouraging growth in our export business through increasing supplies for industrial applications, thereby diversifying our customer base beyond the traditional automotive segment and also diversifying into exports.

Revenue from Operations increased by 10.6% to ₹5,662 lakhs from ₹5,119 lakhs in the previous financial year, while Profit Before Tax improved by 3.11% to ₹1,458 lakhs from ₹1,414 lakhs, despite lower investment income arising from volatility in financial markets. The Company maintained a stable Profit After Tax of ₹1,085 lakhs, demonstrating the strength of its core operations and prudent financial management. We also continue to maintain a robust financial position, remaining debt-free with healthy liquidity, strong balance sheet and our total assets and net worth registered healthy growth, providing a solid platform for future expansion and strategic investments.

In line with our commitment to creating sustainable shareholder value, your Board declared an interim dividend of ₹15 per equity share, for the financial year ended March 31, 2026. This reflects the Company's consistent focus on rewarding shareholders while maintaining a prudent approach to capital allocation and future growth. These achievements are the result of the collective efforts and unwavering commitment of everyone associated with our Company. I extend my sincere appreciation to our employees for their dedication and professionalism, our customers for their continued trust, our suppliers and business partners for their valued collaboration, and our shareholders for their steadfast confidence and support.

Current Year – Q1 FY 2026 - 27

For the quarter ended June 30, 2026, revenue from operations stood at ₹15.25 crores, as against ₹12.37 crores in the corresponding quarter of the previous year, registering an impressive growth of 23.3%.

Profit after tax for Q1 FY2026–27 stood at ₹3.46 crores, compared to ₹2.71 crores in Q1 FY2025–26, reflecting a robust increase of 27.7%. These strategic initiatives have strengthened the Company's operational resilience and positioned it well for sustained long-term expansion plan.

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. Backed by a strong balance sheet, a debt-free financial position, an established customer base and a dedicated workforce, we are confident of navigating future challenges and building on growth opportunities, while creating sustainable long-term value for all our stakeholders.

Harshbeena Zaveri

Chairperson

August 11, 2026