

# SKF Group

MSMEs and Global Value Chain

February'2018



**SKF**®

# SKF vision and mission



**A world of reliable rotation**

**The undisputed leader  
in the bearing business**

# SKF – a truly global company

- Established 1907
- Sales 2016 SEK 72,761 million
- Employees 48,593
- Production sites around 115 in 29 countries
- SKF presence in over 130 countries
- Distributors/dealers 17,000 locations
- Global certificates ISO 14001  
OHSAS 18001 certification  
ISO 50001



# Three dimensions of SKF knowledge



Global with  
local presence



Industry and  
application  
knowledge



Technologies  
around the  
rotating shaft



# SKF Technology areas



Bearings  
and units



Seals



Services



Lubrication  
systems



Mechatronics



**Our solutions are everywhere**



**SKF**



A photograph of a modern SKF building in India. The building features a large glass facade on the left and a brick facade on the right. The SKF logo is visible on the brick wall. A paved walkway leads to the entrance, and there is greenery in the foreground. A blue semi-transparent box is overlaid on the left side of the image, containing the text 'SKF in India'.

**SKF in India**

**SKF**

# SKF India

- In India since: 1923
- \*Sales 2016: INR 28047 million
- Employees: +2600
- Production sites: 6 Manufacturing Sites
- Presence: All major cities
- Distributors/dealers: over 450 locations



**SKF in India has 3 legal entities**

*SKF India Ltd, ; SKF Technologies Pvt. Ltd ; Lincoln Helios India Pvt. Ltd.*

*\*Sales represents SKF India Ltd only as per financial year ended on 31<sup>st</sup> March 2017*



# Invested for Making in India

1965

1984

2009

2010

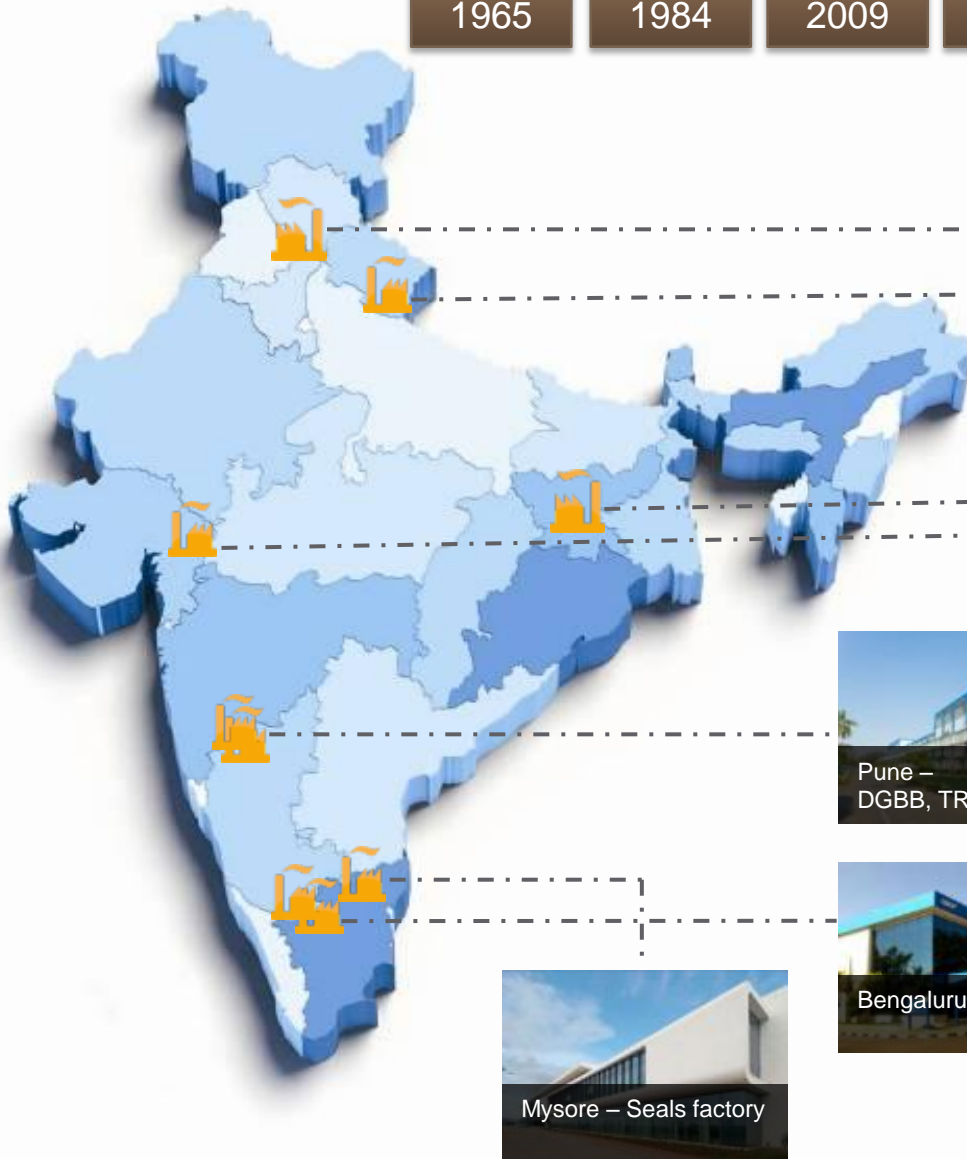
2011

2012

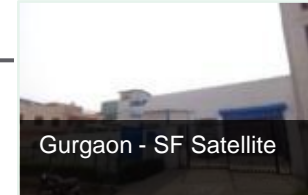
2013

2014

*Includes all 3 entities*



Haridwar DGBB factory



Gurgaon - SF Satellite



Ahmedabad LSB Factory



Jamshedpur - SF Satellite



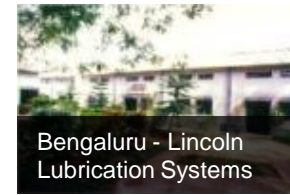
Pune - DGBB, TRB, HUB



Pune Solution Factory



Bengaluru - DGBB



Bengaluru - Lincoln Lubrication Systems

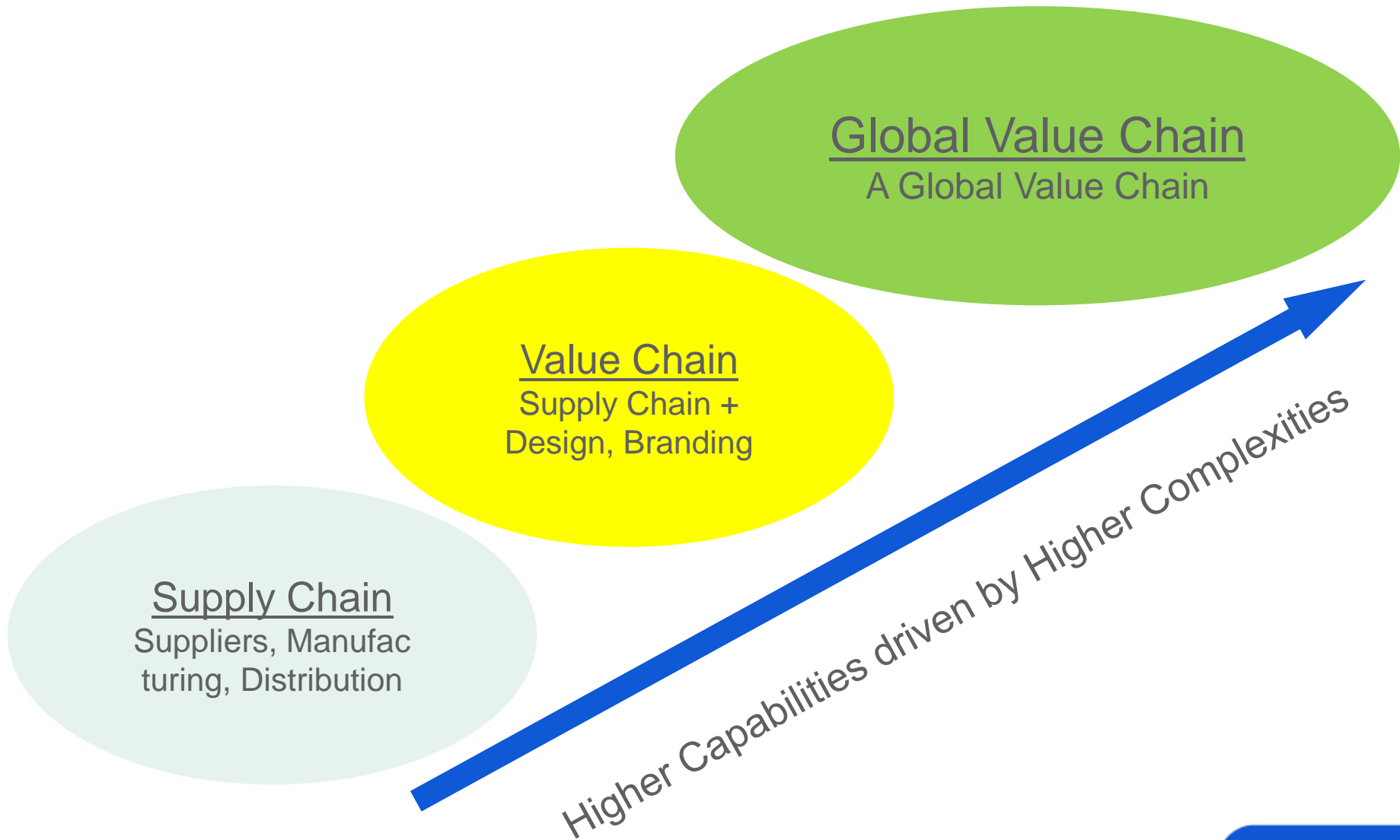


Bengaluru - Global Technical Center



Mysore - Seals factory

# A Global Value Chain



# Global Quality Commitment

# 1

- **One Quality Policy**
- **One Quality System**
- **One Standard for Product**
- **One Standard for Supplier**

SKF has **manufacturing sites** distributed all over the world. All our manufacturing units use **similar processes**, have **identical specifications** and are working according to the same procedures. All SKF bearings have the **same high quality standard**, independent of the manufacturing location.



# Our Values and drivers govern everything that we do

## Drivers

Grow with profit  
Quality  
Innovation  
Simplicity & Speed  
Sustainability

## Values

High ethics  
Empowerment  
Openness  
Teamwork

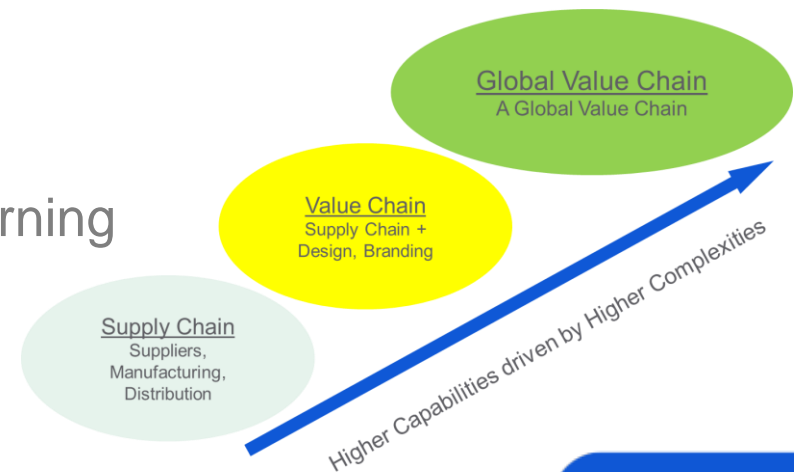


# Expectations from SKF Suppliers

- Code of Conduct
- Quality – ‘0’ Defect
- On time – every time
- One price – same (similar) price globally
- Local first
- Innovation – continuous improvement

# Supplier Development - Initiatives

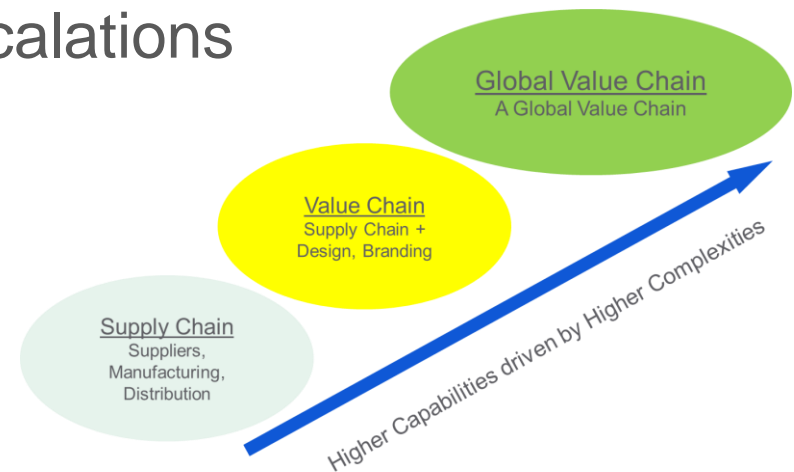
- Country Level sourcing projects for selected categories
- Supplier Development Programs
  - Six sigma projects
  - TPM Journey – with strategic suppliers
  - CoC Audits + Alignment
  - CoC @ Small Suppliers - Group Learning





# Global Sourcing from India

- RFQs to capable + ready suppliers
- Global contracts
- Local intervention till development
- Series delivery directly from supplier
- Local intervention only for escalations



# Global Sourcing from India – Status 2017

- Exports at 43% of local buying
- Indian suppliers supply to 17 different countries
- 32% to Americas, 57% to Europe, 11% to Asia
- Multiple opportunities under RFQs

# Success Story-Bearing Components

## Supplier DM1

Supply to total 10 countries globally

Total business with SKF :- 637 MINR

Business within India :-284 MINR

Exports Business :-353 MINR

Have now setup plants in 2 additional countries

## Supplier DM2

Supply to total 4 countries within Asia

Total business with SKF :- 266 MINR

Business within India :- 120 MINR

Exports Business :- 146 MINR



# Success Story – Indirect Material

## Supplier IDM1

Supply to total 6 countries globally

Total business with SKF :- 57 MINR

Business within India :- 8 MINR

Exports Business :- 49 MINR

## Supplier IDM2

Potential to Supply to multiple countries globally

Total business with SKF :- 2 MINR

Business within India :- 2 MINR

Exports Business :- Starting deliveries to USA

**SKF®**