



MENON BEARINGS LTD.

**Annual Report**  
**2013**

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## Board of Directors

<b>RAM MENON</b>	Chairman
<b>R. D. DIXIT</b>	Vice Chairman & Managing Director
<b>NITIN MENON</b>	Joint Managing Director
<b>SACHIN MENON</b>	Director
<b>KUMAR NAIR</b>	Independant Director
<b>B. S. AJITKUMAR</b>	Independant Director
<b>DR. Y. S. P. THORAT</b>	Independant Director (Upto 19 <sup>th</sup> May, 2013)
<b>CAPT. SUDHEER S. NAPHADE</b>	Independant Director (w.e.f. 19 <sup>th</sup> May, 2013)

### REGISTERED OFFICE :

G-1, MIDC, Gokul Shirgaon, Kolhapur 416 234

### ARUN ARADHYE, CFO

### AUDITORS :

M/s. P. M. VARDHE & CO.  
Chartered Accountants,  
Kolhapur

### BANKERS :

STATE BANK OF INDIA  
Gokul Shirgaon, Kolhapur.

AXIS BANK LIMITED  
Kolhapur

### REGISTRAR AND SHARE TRANSFER AGENTS :

LINK INTIME INDIA PRIVATE LIMITED  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup (West), Mumbai – 400 078  
Phone : (022) 2596 3838. Fax : (022) 2594 6969  
Email : [inform@linkintime.co.in](mailto:inform@linkintime.co.in)

# Notice

Of 22<sup>nd</sup> Annual General Meeting



MENON BEARINGS LIMITED

Regd. Office: G-1, MIDC, Gokul Shirgaon, Kolhapur 416234

Notice is hereby given that the Twenty Second Annual General Meeting of the Company will be held on Wednesday, 21<sup>st</sup> August, 2013 at 10.30 a.m. at

**The Residency Club, P.O. New Palace, Kolhapur – 416003**

to transact the following businesses:

## Ordinary Business :

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Directors' and the Auditors' thereon.
2. To declare dividend on equity shares for the financial year ended on 31<sup>st</sup> March, 2013.
3. To appoint a director in place of Mr. Ram Menon, Chairman, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a director in place of Mr. Kumar Nair, Independent Director, who retires by rotation and being eligible, offers himself for re-appointment.
5. To re-appoint M/s P. M. Vardhe & Co., Chartered Accountants (having FRN: 111274W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of next Annual General Meeting and to fix their remuneration.

## Special Business :

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Capt. Sudheer S. Naphade, who, pursuant to the Article No. 130 of the Articles of Association of the Company, was appointed as an Additional Director of the Company w.e.f. 19<sup>th</sup> May, 2013 and as per the provisions of Section 260 of the Companies Act, 1956, holds office upto the conclusion of this Annual General Meeting and in respect of whom the Company has received a notice in writing alongwith requisite deposit under Section 257 of the Act from a shareholder signifying his intention to propose the appointment of Capt. Sudheer S. Naphade as Director of the Company, be and is hereby appointed as a Director of the Company, who shall be liable to retire by rotation."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ('the Act'), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the payment of Rs. 11,00,000/- (Rupees Eleven Lacs only) made to Mr. Nitin Menon, Joint Managing Director of the Company during the financial year 2012-13 as bonus be and is hereby approved."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 269 and 309(5B) read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ('the Act') (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of Central Government and all other permissions, sanctions and approvals as may be necessary, if any, the consent of the Company be and is hereby accorded for waiver from recovery of a sum of Rs. 29,06,963/- (Rupees Twenty Nine Lacs Six Thousand Nine Hundred and Sixty Three Only) being excess amount of remuneration already paid to Mr. Nitin Menon, Joint Managing Director of the Company during the financial year 2012–13 in excess of the limits prescribed in Section 309(3) read with Schedule XIII of the Act.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) of the Company be and is hereby authorized to make an application to the Central Government and to take all actions and do all such deeds, matters and things, as it may be required from time to time in this regard.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of Central Government and all other permissions, sanctions and approvals as may be necessary, the re-appointment of Mr. Nitin Menon as Joint Managing Director of the Company for a further period of 5 years w.e.f. 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2018 be and is hereby approved.

**RESOLVED FURTHER THAT** the following terms and conditions regarding payment of remuneration to Mr. Nitin Menon, Joint Managing Director for a period of 3 years from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2016 be and is hereby approved:

**(a) Remuneration payable to Mr. Nitin Menon is as follows (per month):**

Sl. No.	Particulars	Amount (Rs.)
1.	Salary	4,35,000
2.	House Rent Allowance	43,500
3.	PPA	82,500
4.	Production	1,12,500
5.	Education Allowance	24,000
6.	Soft Furnishing Allowance	26,000
7.	Servant Allowance	26,500
	<b>Total</b>	<b>7,50,000</b>

**(b) Others:**

1. Provident Fund: Company's contribution to Provident Fund will not exceed 12% of the salary per annum.
2. Gratuity: Gratuity will be paid as per normal Company's rules.
3. Car: Company's Car will be provided to Mr. Nitin Menon.
4. Conveyance: Actual
5. Medical expenses: Actual  
These facilities will not be considered as perquisites.
6. Mr. Nitin Menon will be entitled to leave as per the rules of the Company as are applicable to other staff members of his category.
7. Whenever Mr. Nitin Menon is required to travel outstation within India and abroad on Company's duty, he shall be paid in the following manner:
  - a. Executive Air Fare / First Class AC Rail Fare.
  - b. Actual to cover stay in hotels and cost of local conveyance.
8. Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
9. Leave Travel Assistance as per the rules.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Nitin Menon, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) of the Company be and is hereby authorised to take all actions and do all such deeds, matters and things, as it may be required from time to time in this regard."

10. To consider and if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309 and 311 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 ("the Act") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approval of Central Government and all other permissions, sanctions and approvals as may be necessary, if any, the re-appointment of Mr. Ramesh D. Dixit as Vice Chairman & Managing Director of the Company for a further period of 5 years w.e.f. 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2018 be and is hereby approved.

**RESOLVED FURTHER THAT** the following terms and conditions regarding payment of remuneration to Mr. Ramesh D. Dixit, Vice Chairman & Managing Director for a period of 3 years from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2016 be and is hereby approved:

**(a) Remuneration payable to Mr. Ramesh D. Dixit is as follows (per month):**

Sl. No.	Particulars	Amount (Rs.)
1	Salary	2,75,000
2.	House Rent Allowance	27,500
3.	PPA	56,500
4.	Production	25,000
5.	Education Allowance	20,000
6.	Soft Furnishing Allowance	23,000
7.	Servant allowance	23,000
	<b>Total</b>	<b>4,50,000</b>

**Others:**

1. Provident Fund : Company's contribution to Provident Fund will not exceed 12% of the salary per annum.
2. Gratuity : Gratuity will be paid as per normal Company's rules.
3. Car : Company's Car will be provided to Mr. Ramesh D. Dixit.
4. Conveyance : Actual
5. Medical expenses : Actual  
These facilities will not be considered as perquisites.
6. Mr. Ramesh D. Dixit will be entitled to leave as per the rules of the Company as are applicable to other staff members of his category.
7. Whenever Mr. Ramesh D. Dixit is required to travel outstation within India and abroad on Company's duty, he shall be paid in the following manner:
  - a. Executive Air Fare / First Class AC Rail Fare.
  - b. Actual to cover stay in hotels and cost of local conveyance.
8. Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
9. Leave Travel Assistance as per the rules.

**RESOLVED FURTHER THAT** in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. Ramesh D. Dixit, the payment of salary, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) of the Company be and is hereby authorised to take all actions and do all such deeds, matters and things, as it may be required from time to time in this regard."

**BY ORDER OF THE BOARD OF DIRECTORS**

Place : Kolhapur  
Date : 19<sup>th</sup> May, 2013

**RAM MENON**  
Chairman

**Notes :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of special business is annexed hereto and forms part of this notice.
3. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 187 of the Companies Act, 1956 authorising their representative to attend and vote at the Annual General Meeting.
4. Brief resume of Directors proposed to be appointed / re-appointed at the ensuing Annual General Meeting in terms of Clause 49 of the Listing Agreement is annexed to the Notice.
5. (a) Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 16<sup>th</sup> August, 2013 to Wednesday, 21<sup>st</sup> August, 2013 (both days inclusive) for determining the names of members eligible for dividend on Equity Shares, if approved by the shareholders at the ensuing Annual General Meeting.  
  
(b) The dividend on Equity Shares, if declared at the Meeting, will be credited / dispatched between 26<sup>th</sup> August, 2013 and 31<sup>st</sup> August, 2013 to those members whose names shall appear on the Company's Register of Members on 21<sup>st</sup> August, 2013; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
6. The Register of Directors' Shareholdings, maintained under Section 307 of the Companies Act, 1956 is open for inspection at the Registered Office of the Company during the office hours on all working days, except Mondays, between 11.00 a.m. and 1.00 p.m. up to the date of the Annual General Meeting and will be open for inspection during the Annual General Meeting also.
7. Members holding shares in physical form are requested to notify immediately any change in their address or bank mandates to the Company / Registrar and Share Transfer Agents quoting their Folio Number and Bank Account Details along with self attested document proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.
8. Members are requested to bring their Attendance Slip along with their copy of Annual Report at the time of the Meeting.
9. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
10. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Compliance Officer / Assistant Company Secretary at the Registered Office of the Company at least seven days in advance of the meeting so that the information required may be made readily available at the meeting.

11. The Securities and Exchange Board of India has made it mandatory for all Companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available. The Company will be availing the NECS facility for the payment of dividend of financial year 2012-13. The bank details are required to be updated for the members who will be availing this facility. In the absence of NECS required details, the Company will print the bank account details, as available, on the Payment Instrument for distribution of dividend, if payment of dividend is approved by the members in the ensuing Annual General Meeting.
12. Members having multiple folios in identical names or in joint names in the same order are requested to send the Share Certificate(s) to the Company's Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services.
13. The unclaimed dividend upto the financial years 2004-2005 has been transferred to the Investor Education and Protection Fund (IEPF) as required under Section 205A and 205C of the Companies Act, 1956. ***The balance amount lying in Unpaid Dividend Account for the financial year 2005-2006 is due for transfer during the month of October, 2013 to the Investor Education and Protection Fund administered by the Central Government. The shareholders whose dividend remained unclaimed for the aforesaid financial year and subsequent financial years are requested to claim it immediately from the Company.*** Further, the shareholders are requested to note that no claim shall lie against the said Fund or the Company in respect of any amounts which remained unclaimed for a period of seven years from the date these became first due for payment and no payment shall be made in respect of any such claim.
14. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company - M/s. Link Intime India Private Limited.
15. Non Resident Indian members are requested to inform to the Company's Registrar & Share Transfer Agents immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details not furnished earlier.

In Pursuance of the Clause 49 (IV) (G) of the Listing Agreement details of directors seeking appointment / re-appointment at the ensuing Annual General Meeting are as follows:

<b>Name of Director</b>	<b>Mr. Ram Menon</b>	<b>Mr. Ramesh D. Dixit</b>	<b>Mr. Nitin Menon</b>	<b>Mr. Kumar Nair</b>	<b>Capt. Sudheer S. Naphade</b>
Date of Birth	20 <sup>th</sup> July, 1930	25 <sup>th</sup> December, 1943	26 <sup>th</sup> November, 1967	24 <sup>th</sup> March, 1962	16 <sup>th</sup> February, 1943
Nationality	Indian	Indian	Indian	Indian	Indian
Date of appointment as director	4 <sup>th</sup> July, 1991	1 <sup>st</sup> April, 1992	1 <sup>st</sup> April, 1995	20 <sup>th</sup> January, 2005	19 <sup>th</sup> May 2013
Designation	Chairman	Vice Chairman & Managing Director	Joint Managing Director	Independent Director	Independent Director
Qualification	Bachelor of Commerce	Bachelor of Engineering (Mechanical)	Bachelor of Commerce	Chartered Accountant	Extra Master M. I. Mar. Tech
Experience/ Expertise	He is having tremendous experience of more than 56 years in Technical & Administrative fields.	He is having 47 years of tremendous experience in the fields of Automobile Sector	He is having 21 years of rich and varied experience in the field of Automobile Sector. Apart from business activity, he is also engaged in the field of Agriculture and allied services thereof.	He is a having vast experience in the fields of Finance, Treasury, Forex, Derivates and Capital Markets.	He is having experience in various capacities with the marine stream, as from cadet to master, Nautical Surveyor, Marine Superintendent, Principal Officer, Chief Marine Surveyor, Nautical Advisor, Director General of Shipping, Chief Examiner of Masters & Mate, etc.
Shareholding in the Company (Equity Shares of Rs. 5/- each)	25,000	10,400	27,85,330	Nil	Nil
List of directorships held in various other Companies	1. Menon Piston Limited 2. Menon Piston Rings Private Limited 3. Menon and Menon Limited	1. Menon Piston Limited 2. Menon Piston Rings Private Limited	1. Menon Piston Limited 2. Karveer United Leisure Private Limited 3. Menon Piston Rings Private limited	1. Transwarranty Finance Limited 2. Vertex Commodities & Finpro Private Limited	1. Damodar Marine Services Private Limited