

Annual Report 2015



MENON BEARINGS LTD.



India's leading engine bearings company.



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Board of Directors

RAM MENON	Chairman
R. D. DIXIT	Vice Chairman & Managing Director
NITIN MENON	Joint Managing Director
SACHIN MENON	Director
KUMAR NAIR	Independent Director (upto 17 th April, 2015)
B. S. AJITKUMAR	Independent Director
CAPT. SUDHEER S. NAPHADE	Independent Director
NAZURA AJANEY	Independent Director (w.e.f. 4 th September, 2014)

REGISTERED OFFICE :

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

ARUN ARADHYE, Vice President Finance & Corporate (CFO)

ANUP PADMAI, Company Secretary

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

Notice

Of 24th Annual General Meeting



MENON BEARINGS LIMITED

CIN - L29130PN1991PLC062352

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

Tel: 0231-2672 279/533/487, Fax: 0231-2672 278

Email: admin@menonbearings.in, Website : www.menonbearings.in

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Menon Bearings Ltd. will be held on Tuesday, 14th July, 2015 at 11.00 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 31st March, 2015 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 31st March, 2015.
3. To appoint a director in place of Mr. Ram Menon, Director (DIN: 00111469), who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s P. M. Vardhe & Co., Chartered Accountants, Kolhapur (having FRN: 111274W) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.
5. To ratify the appointment of M/s Rajesh Lohia & Co., Chartered Accountants (having FRN:108416W), as Branch Auditors of the Company, who was appointed as such at the 23rd Annual General Meeting to hold office from the conclusion of 23rd Annual General Meeting until the conclusion of the 28th Annual General Meeting, for holding office as such from the conclusion of 24th Annual General Meeting until the conclusion of 25th Annual General Meeting.

Special Business :

6. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mrs. Nazura Ajaney (DIN: 06947881), who was appointed as an Additional Independent Director of the Company with effect from 4th September, 2014 pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and in respect of whom the Company has received a notice in writing along with the requisite deposit from a member as required under Section 160 of the Companies Act, 2013 signifying his intention to propose candidature for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Section 149 and 152 of the Companies Act, 2013 to hold office as such up to 3rd September, 2019, who shall not be liable to retire by rotation.

7. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 (including any statutory

modification(s) or re-enactment thereof, for the time being in force), Mr. Chandrashekhar S. Adawadkar, Cost Accountants, Pune, the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2016, be paid the remuneration of Rs. 1,25,000/- (Rupees One Lacs Twenty Five Thousand Only) plus service tax and out of pocket expenses.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be required to carry on the purpose of the aforesaid resolution.”

BY ORDER OF THE BOARD OF DIRECTORS

Place : Kolhapur
Date : 5th May, 2015

RAM MENON
Chairman

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES 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 PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further a person can act as proxy on behalf of member or members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent, of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of this notice.
3. Members / Proxies are requested to bring duly filled in Attendance slip along with the Annual Report at the Annual General Meeting. Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing 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. The Company is in receipt of relevant disclosures / consents from the Directors pertaining to their appointment / re-appointment.
5. (a) Pursuant to Clause 16 of the Listing Agreement, Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, 8th July, 2015 to Tuesday, 14th July, 2015 (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 as recommended by the Board of Directors, if declared at the Meeting, will be credited / dispatched between 21st July, 2015 to 25th July, 2015 to those members whose names shall appear on the Company's Register of Members on 14th July, 2015 and 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 and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested under Section 189 of the Companies Act, 2013 will be open for inspection by the members during the Annual General Meeting.
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 documentary proofs. Members holding shares in the electronic form may update such details with their respective Depository Participants.

8. In case of joint holders attending the meeting, the joint holder with highest, in order of names will be entitled to vote.
9. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company Secretary & Compliance Officer 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.
10. 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 if the Company proposes to avail NECS Facility. The Company will be availing the NECS facility for the payment of dividend of financial year 2014-15. 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. The NECS Form is enclosed with the Annual Report.
11. 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.
12. Pursuant to the provision of Section 205A(5) and 205C of the Company Act, 1956 (Which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified), the Company has transferred on due dates, the unpaid or unclaimed dividend for the financial year 2006 – 07 to the Investor Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of Information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded on its website the details of unpaid and unclaimed amounts lying with the Company for the financial year 2007-2008. The balance amount lying in Unpaid Dividend Account for the financial year 2007-2008 is due for transfer to the IEPF, during the month of November, 2015.
13. 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.
14. Non Resident Indian members are requested to inform 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 are not furnished earlier.
15. To comply with the provision of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules, 2014, the Company shall be required to update its database by incorporating members' designated e-mail ID in its records.

You are thus requested to kindly submit your e-mail ID vide the e-mail updation form attached in this Annual Report. The same could be done by filling up and signing at the appropriate place in the said

form and by returning this letter by post.

The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the RTA of the Company.

16. The notice of the 24th Annual General Meeting and instructions for remote e-voting, along with the attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the company/Depository Participants unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier.

17. **E-Voting process**

The Company has provided 'remote e-voting' (e-voting from a place other than venue of the Annual General Meeting ('AGM')) facility through National Securities Depository Limited (NSDL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 24th Annual General Meeting of the Company, dated 5th May, 2015 (the AGM Notice).

The facility for voting through ballot / polling paper shall also be made available at the venue of the 24th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The Company has appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. E-voting is optional. In terms of requirements of the Companies Act, 2013 and the relevant Rules, the Company has fixed 7th July, 2015 as the 'Cut-off Date'. The remote e-voting /voting rights of the shareholders/ beneficial owners shall be reckoned on the equity shares held by them as on the Cut-off Date i.e. 7th July, 2015 only.

The instructions for shareholders voting electronically are as under:

- (i) The remote e-voting period begins on 11th July, 2015 (9:00 am) and ends on 13th July, 2015 (5:00 pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 7th July, 2015 may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m on 13th July, 2015.
1. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	USER ID	PASSWORD/PIN
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2. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
3. Click on Shareholder - Login
4. Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
5. Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended

not to share your password with any other person and take utmost care to keep your password confidential.

6. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 7. Select “EVEN” of “Menon Bearings Limited”. Member can cast their vote online from 11th July, 2015 (9:00 am) upto 13th July, 2015 (5:00 pm).
- Note: e- Voting shall not be allowed beyond said time.
8. Now you are ready for remote e-voting as Cast Vote page opens.
 9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 10. Upon confirmation, the message “Vote cast successfully” will be displayed.
 11. Once you have voted on the resolution, you will not be allowed to modify your vote.
 12. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to scrutinizer@mgconsulting.in with a copy marked to evoting@nsdl.co.in.
 13. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 14. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 15. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 16. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 7th July, 2015.
 17. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 7th July, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in.

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

18. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
19. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote

e-voting as well as voting at the AGM through ballot paper.

20. CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
21. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
22. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall submit, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
23. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

Statement pursuant to Section 102 of the Companies Act, 2013:

Item No. 6 :

Mrs. Nazura Ajaney has been appointed as an Additional Independent Director for a period of five years with effect from 4th September, 2014 subject to approval of shareholders at the ensuing Annual General Meeting. She has been involved with an NGO, Helix Aids Foundation that works in the field of HIV/AIDS. Her responsibilities include rehabilitating women and children with HIV/AIDS along with providing support, advice and creating awareness of these cases for maximum relief to the affected. She is currently CEO of Childology, which is involved in the CSR activities where children from underprivileged background were offered targeted intervention to improve their academic grades and improve their chances of success in life.

In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of Independent Director requires approval of shareholders.

Mrs. Nazura Ajaney has given the requisite declaration pursuant to Section 149(7) of the Companies Act, 2013, to the effect that she meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013. The Company has also received notice along with requisite deposit from a member under Section 160 of the Companies Act, 2013 proposing her candidature for the office of Independent Director. Further, she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as director.

In the opinion of the Board, Ms. Nazura Ajaney fulfills the conditions specified in the Act and the Rules made there under for appointment as Independent Director and she is independent of the management.

The Nomination and Remuneration Committee has also recommended the appointment of Mrs. Nazura Ajaney as Independent Director for a period of 5 years.