



India's leading engine
bearings company

Annual Report 2019-20



MENON BEARINGS LTD.

Founder & Chairman
Late Shri. RAM MENON

(1929 - 2019)



Your life will always inspire us.

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Board of Directors

Mr. R. D. DIXIT	Chairman & Managing Director
Mr. NITIN MENON	Vice Chairman & Joint Managing Director
Mr. ARUN ARADHYE	Whole Time Director & CFO
Mr. M. L. SHINDE	Independent Director
Mr. GAJENDRA VASA	Independent Director
Mrs. KAILASH A. NEVAGI	Independent Director
Dr. SANTOSH PRABHU	Independent Director

MR. SURAJ PATIL: Company Secretary & Compliance Officer

REGISTERED OFFICE :

G-1, MIDC, Gokul Shirgaon, Kolhapur 416 234, Tel: 0231-2672 279/533/487, Fax: 0231-2672 278

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

STATUTORY AUDITORS

M/s ARNA & ASSOCIATES,
Chartered Accountants, Kolhapur.

BANKERS :

HDFC BANK LTD
Kolhapur.

REGISTRAR AND SHARE

TRANSFER AGENTS :

LINK INTIME INDIA PRIVATE LIMITED

C-101, 247 Park, L.B.S. Marg,
Vikroli (West), Mumbai – 400 083

Phone : (022) 49186000, 49186270

Fax : (022) 49186060

Email : rnt.helpdesk@linkintime.co.in

SECRETARIAL AUDITORS

M/S. M BALDEVA ASSOCIATES,
Company Secretaries, Thane

AXIS BANK LIMITED
Kolhapur

MANAGEMENT NOTE

First of all, we would place before shareholders our extreme grief over sad demise of our beloved Chairman Emeritus Late Mr. Ram Menon and pray god that his soul may rest in peace.

We all have been going through a tough time created due to pandemic as a result of Covid-19. Hardly anybody is escaped from its suffering.

Your company is also not an exception to this. We had to close the operations from 23rd March, 2020 till 4th May, 2020. We feel sorry for the inconvenience caused if any to any of our stakeholders due to closure of operations.

We have opened up from 5th May, 2020 and took all out efforts to cater to the pending orders of customers, mostly export orders.

Menon Bearings based out of Kolhapur is one of the leading manufacturers of engine bearings, bushes, thrust washers and Al. Pressure Die castings. Bearings in particular is niche segment in the overall engines, brakes, suspension, transmission. Al. Pressure Die Casting business is comparatively scattered.

Menon Bearings Ltd. started its operations in the year 1993-94 and today is a leader in its segment, competing with global players in India. Menon Bearings is a major supplier to various Indian and Global OEM's.

Menon Bearings has facility to produce next generation lead free material complying with BS VI / Euro VI engine norms. This facility is available with a very few companies.

Having office at Indianapolis, USA, catering to aftersales and warehousing logistics for US and South America. We have been exporting our products to various geographies.

Alkop (Aluminium Division) contributes about 35% of the top line and remaining 65% is contributed by Bimetal products engine bearings, bushings and thrust washers.

No single client / customer contributes more than 10% to 12% of Menon Bearings revenue which shows the well thought out strategy of not relying on one segment or customer for growth.

Currently Menon Bearings produces 2.5 to 3 million pieces per month and having capacity to produce 4.00 to 4.50 million pieces to cater to any spike in demand. Its having healthy order book position of bimetal parts and aluminium castings from domestic and global customers.

F. Y. 2019-20 as compared to earlier year witnessed slowdown which affected almost all auto-industries more particularly heavy duty. In spite of which your company took efforts to keep an EBITDA and PBT above industry norms with moderate profit before tax of Rs. 19.60 Crs and declared interim dividend of 250% for the year 2019-20 and tried to ensure that all stakeholders are by & large happy.

STAY HOME – STAY SAFE



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

of 29th Annual General Meeting

Notice is hereby given that the 29th (Twenty Ninth) Annual General Meeting of the Menon Bearings Limited will be held on Friday, 21st August, 2020 at 11.00 a.m., through Video Conference ("VC") / Other Audit Visual Means ("OAVM") without physical presence of the Members at a common venue, in accordance with the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 20/2020 dated 5th May, 2020 issued by Ministry of Corporate Affairs ('MCA Circulars'), to transact the business mentioned below. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020 along with Board's Report and Auditors' Report thereon and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. To take note of payment of 1st and 2nd interim dividend paid for the financial year ended on 31st March, 2020 and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the 1st interim dividend of Rs. 1.25/- per equity share on 5,60,40,000 equity shares having face value of Re. 1/- each declared on 17th July, 2019 and 2nd interim dividend of Rs. 1.25/- per equity share on 5,60,40,000 equity shares having face value of Re. 1/- each declared on 13th March, 2020 and accordingly paid to the shareholders of the Company for the financial year 2019-20, be and is hereby noted."

3. To appoint a director in place of Mr. Nitin Menon (DIN: 00692754), who retires by rotation and being eligible, offers himself for re-appointment as Director, and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Nitin Menon (DIN:00692754), Director of the Company, who retired by rotation and being eligible, had offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation."

SPECIAL BUSINESS:

4. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITORS:

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 other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. C. S. Adawadkar & Co, Cost Accountants, Pune, (FRN - 100401), 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, 2021, be paid a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus taxes as applicable and out of pocket expenses on actual.

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.”

5. APPROVAL OF RELATED PARTY TRANSACTION:

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

“RESOVLED THAT pursuant to the provisions of Section 188 (1) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded for purchase/sale of goods and providing/availing services, etc. to be entered into with the following related party, in which directors of the Company are interested, for a period and values as detailed in the below table:

Name of the Related parties	Approximate Value of Transaction (Rs. in Lakhs)			Nature of transactions
	2021-22	2022-23	2023-24	
M/s. Mani Auto Components, Partnership firm	4000.00	4500.00	5000.00	Purchase / sale of goods and providing / availing services

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 : 26th May, 2020

R.D.Dixit
Chairman & Managing Director
DIN : 00626827

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circular No. 20/2020 dated 5th May, 2020 read with General Circular Nos. 14/2020 dated 8th April, 2020 and 17/2020 dated 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing or Other Audio Visual Means ("VC / OAVM"), without physical presence of the Members at a common venue.
2. In compliance with applicable provisions of the Companies Act, 2013 ("the Act") read with the MCA Circulars and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the 29th AGM of the Company will be conducted through Video Conferencing ("VC") . In accordance with the Secretarial Standard -2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) read with Guidance/Clarification dated 15th April, 2020 issued by ICSI, the proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of this AGM.
3. The Company has appointed Link Intime India Private Limited, RTA of the Company, to provide Video Conferencing facility for conducting this 29th AGM.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM 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. Since this AGM is being held pursuant to the MCA Circulars through VC, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
5. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of this notice.
6. Corporate Members are requested to send a scanned copy (PDF/JPG format) of its Board Resolution, passed pursuant to Section 113 of the Companies Act, 2013, authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution shall be sent to the Scrutinizer by email through its registered email address at manish@csmanishb.in with copies marked to the Company at admin@menonbearings.in and to its RTA at instameet@linkintime.co.in
7. Brief resume of director proposed to be re-appointed at the ensuing AGM in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial Standard on General Meetings is annexed to the Notice.
8. Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from 15th August, 2020 to 21st August, 2020 (both days inclusive) for the ensuing AGM.
9. 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 Demat form may update such details with their respective Depository Participants.
10. In terms of SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018 read with

SEBI press release PR No.: 51/2018 dated 3rd December, 2018, effective from 1st April, 2019, Company's shares can be transferred in dematerialized form only. Hence members, who hold shares in physical form, are requested to dematerialize their shares, so they can transfer their shares in future, if so desire. However, members can continue to hold shares in physical form.

11. In case of joint holders attending the meeting, the joint holder with highest in order of names will be entitled to vote.
12. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 48 hours prior to the date of AGM., through email on admin@menonbearings.in. The same will be replied by the Company suitably.
13. The Securities and Exchange Board of India (SEBI) 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 members who have not updated their bank account details and wish to avail such facility in future are requested to update their bank account details by submitting the NECS mandate form, available on Company's website viz. <https://www.menonbearings.in>.
14. 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, Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services.
15. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend declared for the financial years upon 2011-12, to the Investor Education and Protection Fund (IEPF) established by the Central Government.
16. Pursuant to the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded on its website the details of unpaid and unclaimed amount of dividend lying with the Company for the financial year 2012-13. The balance amount lying in Unpaid Dividend Account for the financial year 2012-13 is due for transfer to the IEPF during the month of September, 2020. Members, who have not encashed their dividend for the financial year 2012-13 or thereafter, are advised to write to the Company immediately claiming dividends declared by the Company.
17. Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more.
18. In accordance with the aforesaid provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 33,352 shares in respect of which dividend declared for the financial year 2011-12 or earlier financial years remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more to the Investor Education and Protection fund via corporate action through National Securities Depository Limited.
19. A member desirous to claim back his shares from IEPF Authority can do so by following procedure as prescribed under the said rules. The said details are available on the Company's website viz. www.menonbearings.in and have also been uploaded on the website of the Ministry of Corporate

Affairs and the same can be accessed through the link: <http://www.mca.gov.in/> and on the website of IEPF viz. <http://www.iepf.gov.in/>.

20. Further, the Company has initiated necessary action for transfer of all shares in respect of which dividend declared upto financial year 2012-13 and has remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more.
21. The SEBI 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 viz. Link Intime India Private Limited.
22. 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.

23. **Registration of email ID and Bank Account details:**

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent "RTA"/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories or has not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit.

OR

(ii) **In the case of Shares held in Demat mode:**

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

OR

iii) **In the case of Shares held in Physical mode:**

The shareholder may please forward a letter duly signed by him/her containing email ID, mobile number and Bank Account details alongwith self attested copies of PAN and Aadhar Cards and cancelled cheque leaf of his/her bank account. In case cheque does not contain sole/first shareholder's pre-printed name then also attach 1st page of bank passbook. Forward aforesaid documents to the Company or to our RTA, Link Intime India Private Ltd., Unit: Menon Bearings Limited, C- 101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai-400083, Ph.No.(022)-49186000, E-mail: rnt.helpdesk@linkintime.co.in

24. Members are requested to forward all communications to the RTA of the Company and are further