

14.08.2024

To,
The Manager
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001
Scrip Code: 523828

To,
The Manager - Listing
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex
Bandra (East),
Mumbai- 400 051
Symbol: MENONBE

Dear Sir / Ma'am,

Sub: Submission of copy of Annual Report along with the Notice of the 33rd Annual General Meeting of Menon Bearings Limited pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we submit herewith copy of the 33rd Annual Report of the Company for the financial year 2023-24 along with the Notice of the 33rd Annual General Meeting of the Company which is being sent through electronic mode only to the members whose e-mail addresses are registered with the Company / Registrar and Transfer Agent / Depository Participants.

Further, please note that the 33rd Annual General Meeting of the Company will be held on **Friday, 6th September, 2024 at 11:00 A.M. (IST)** through **Video Conferencing / Other Audio Visual Means**, without physical presence of the members at a common venue in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder read with MCA General Circular No 9/2023 dated 25th September, 2023 and SEBI Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/167 dated 7th October, 2023 and other circulars issued by MCA and SEBI from time to time in this regard.

The copy of the Annual Report along with the Notice of the 33rd AGM is also available on the website of the Company i.e. at www.menonbearings.in and on the website of Link Intime India Private Limited i.e. at www.instavote.linkintime.co.in.

Kindly take the above on your record.

Thanks and Regards,

for **MENON BEARINGS LIMITED**

Manmay Kalyankar
Company Secretary & Compliance Officer
Membership No.: A29264
Encl.: A/a

Annual Report 2024



MENON BEARINGS LTD.

India's leading engine bearings company.

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Board of Directors

NITIN MENON	Executive Chairman
R. D. DIXIT	Managing Director
ARUN ARADHYE	Whole Time Director & CFO
M. L. SHINDE	Independent Director
KAILASH A. NEVAGI	Independent Director
DR. SANTOSH PRABHU	Independent Director

MANMAY KALYANKAR : Company Secretary and Compliance Officer

REGISTERED OFFICE :

G-1, MIDC, Gokul Shirgaon, Kolhapur- 416 234, Maharashtra, India. Tel: 0231-2672 279 / 533 / 487, Fax: 0231-2672 278
Email: admin@menonbearings.in, Website : www.menonbearings.in

STATUTORY AUDITORS

M/s. A R N A & 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,

Vikhroli (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, Mumbai

MANAGEMENT NOTE

Dear Shareholders,

It is our privilege to present to you the 33rd Annual Report of our Company.

In the fiscal year 2023, the Auto Component Industry marked a milestone with a turnover of US\$ 70 billion and is on track to achieve the US\$ 200 billion target by 2026. The first half of the fiscal year 2023-24 saw a 12.6% increase in turnover, amounting to US\$ 36.1 billion. Vehicle sales also surged, with 19.72 million units sold from April to January 2024, indicating a robust 16% growth year-on-year.

In the FY2023-24, the company achieved a turnover of Rs. 210 Crores and a Profit after Tax of Rs. 26 Crores on standalone basis. Additionally, the consolidated financial statements reflect a turnover of Rs. 214 Crores. By expanding our market presence, enforcing stringent cost management protocols, enhancing operational efficiency, fortifying our team, and fostering continuous innovation in product development, we are setting the stage for sustained financial health.

Delivering value that exceeds customer expectations remains our guiding principle. We achieve this through the consistent provision of superior products that not only fulfill but exceed industry benchmarks for performance.

We are gratified by the significant strides we've achieved in the substantial progress we've made in refining our processes, embracing cutting-edge technology, elevating quality control, and pioneering new product lines. These efforts have been instrumental in advancing our growth trajectory and fostering a culture of innovation.

We are proud to state our foray into the Brakes Segment with the introduction of our eco-friendly, asbestos-free Brake Lining, reflecting our dedication to sustainability and diversity. This new venture has already shown promising growth, with an increasing revenue share attributed to exploring new markets and expanding our export capabilities. Looking ahead, we anticipate the Brakes Segment to become a luminous example of our company's innovation and commitment to environmental responsibility.

We would like to announce the successful establishment of two new Public Limited Wholly Owned Subsidiaries under our company; Menon Alkop Limited and Menon Bearings New Ventures Limited.

The formation of Menon Alkop Limited (MAL) as a wholly-owned subsidiary marks a strategic move to enhance the operational efficiency of our Aluminium Division. This transition allows MAL to operate with the agility and focus required to excel in its specialized domain, benefiting from dedicated management and resources. This initiative has been met with unanimous support from our shareholders, who approved the Slump Sale of the Aluminium Division to MAL, effective from 01.04.2024. MAL has already begun its commercial operations as of the effective date.

Menon Bearings New Ventures Limited has been created to diversify our business interests into promising sectors including charging technologies, services for emerging electric vehicles, cold chain logistics, etc. This subsidiary is poised to explore new service-oriented opportunities outside of our traditional engineering business. We eagerly anticipate the commencement of its commercial activities in the near future.

We are particularly excited to announce that we have inaugurated a new facility outfitted with sophisticated equipment for the production of Thrust Washers at a new Plant as Unit – III with lead free material producing foundry.

Significantly, these strategic initiatives have poised us to capitalize on future opportunities, enhancing our capacity to escalate production and amplify revenue streams in the forthcoming years.

Our capabilities extend to manufacturing an extensive array of products that complement and enhance our existing product lines. By venturing into these new segments, we look forward to unlock fresh market opportunities and increase our revenue streams.

In the realm of international trade, we are setting our sights on strengthening our exports to extend our global market presence and take advantage of cross-border opportunities.

Reflecting on the past fiscal year, it brings us great pleasure to report that, in light of our robust liquidity and profitability, the Company has distributed an interim dividend at a rate of 225% of the paid-up equity share capital amounting to Rs. 2.25 per share for the fiscal year 2023-2024. This action ensures our commitment to fulfilling the aspirations of all our stakeholders.

Our company has planned to set-up the Rooftop Solar Panel Project, spanning our newly expanded factory space of 105,000 square feet, with the aim to produce 1.25 megawatts of clean energy. This initiative is a significant step towards bolstering our commitment to sustainability and economic efficiency. By transitioning to solar power, we are reducing our dependence on conventional energy sources and contributing to the worldwide movement for renewable energy. Moreover, this project will have a substantial effect on minimizing our carbon footprint by lowering CO2 emissions from electricity production.

Looking ahead to the fiscal year 2024-2025, our strategic agenda is concentrated on pivotal areas that will catalyze business expansion. A key focus will be to augment our share of business with current clients by deepening our engagement with them, thereby enlarging our footprint within their operations. This will be achieved by delivering unparalleled service, nurturing solid partnerships, and devising customized solutions that cater to their dynamic requirements.

Our strategic focus is on broadening our customer base, a crucial step for diversifying our operations and seizing new market opportunities. With a proactive approach, we aim to attract and secure new clients by showcasing our industry expertise, solid reputation, and unique competitive edge.

In closing, we express our profound gratitude to our valued customers and shareholders for their steadfast loyalty and support. Your confidence in our offerings fuels our growth and success. We also extend our deepest thanks to the Menon Bearings team for their tireless efforts and unwavering commitment, which have been pivotal to our achievements this year.

Additionally, we seize this moment to offer our sincere appreciation to our distinguished Board of Directors. Your exceptional leadership, rich expertise, and strategic counsel have been essential in guiding our organizational direction and progress.

As a cohesive unit, we have reached significant milestones and surmounted obstacles. With the ongoing engagement of all our stakeholders, we look forward to a future filled with even greater accomplishments.

THANK YOU ONCE AGAIN.



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 33rd Annual General Meeting

Notice is hereby given that the 33rd (Thirty Third) Annual General Meeting of **Menon Bearings Limited** (CIN: L29130PN1991PLC062352) ("Company") will be held on **Friday, 6th September, 2024 at 11:00 A.M. IST**, through Video Conferencing ("**VC**") / Other Audio Visual Means ("**OAVM**") without physical presence of the Members at a common venue, to transact the businesses mentioned below:

ORDINARY BUSINESS:

1. To receive, consider and adopt (a) Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024 along with the reports of the Board of Directors and Auditors thereon; and (b) Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 along with the report of the Auditors thereon and in this regard, if thought fit, pass the following resolutions as **Ordinary Resolutions**:

- a) "**RESOLVED THAT** the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024 along with the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."
- b) "**RESOLVED THAT** the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 along with the report of the Auditors thereon be and are hereby received, considered and adopted."

2. To take note of interim dividend paid for the financial year ended 31st March, 2024 and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** the interim dividend of Rs. 2.25 per Equity Share on 5,60,40,000 Equity Shares having face value of Re. 1/- each declared on 15th July, 2023 and accordingly paid to the shareholders of the Company for the financial year ended 31st March 2024, be and is hereby noted."

3. To appoint a director in place of Mr. Arun Aradhya (DIN: 03052587), 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(6) of the Companies Act, 2013, Mr. Arun Aradhya (DIN: 03052587), 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(3) and other applicable provisions of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, 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, 2025, 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 necessary to give effect to the above resolution.”

**By order of the Board of Directors
of Menon Bearings Limited**

**Place: Kolhapur
Date : 18th July 2024**

**Nitin Menon
Executive Chairman
DIN: 00692754**

Notes:

1. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 09/2023 dated 25th September, 2023 and in accordance with the requirements laid down in previous circulars issued by the MCA from time to time in this regard, permitted companies to hold its general meetings through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), without physical presence of the members at a common venue. In compliance with applicable provisions of the Act and MCA circulars, the 33rd Annual General Meeting (“AGM”) of the Company will be conducted through VC / OAVM without physical presence of the members at a common venue. The Company has engaged services of Link Intime India Private Limited ('Link Intime') for conducting of the AGM and facilitating voting through electronic means i.e. remote e-voting and e-voting during the AGM.
2. Further, the Securities and Exchange Board of India (“SEBI”) vide its Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated 7th October, 2023 read with all previous Circulars / Master Circular issued by the SEBI from time to time in this regard (“SEBI Circulars”), has given relaxation to companies from sending hard copy of Annual Reports containing salient features of all the documents prescribed under Section 136 of the Act and as required under Regulation 36(1)(b) of the Listing Regulations to the members who have not registered their email addresses in case of general meetings are held through VC/OAVM. Accordingly, the Notice of the 33rd AGM along with the Annual Report for the financial year 2023-24 is being sent by electronic mode to those members whose email addresses are registered with RTA/ the Company/Depository Participants ('DPs')/ Depository(ies).
3. In accordance with the SS-2 read with Guidance/Clarification dated 15th April, 2020 issued by the ICSI, the proceedings of the 33rd AGM shall be deemed to be conducted at the Registered Office of the Company situated at 401, 4th Floor, Gladdiola, Hanuman Road, Vile Parle (East), Mumbai - 400057, Maharashtra. The members are requested to attend the 33rd AGM from their respective locations through VC / OAVM and do not visit the Registered Office to attend the AGM.
4. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. However, since this 33rd AGM is being conducted, pursuant to the said MCA and SEBI circulars through VC / OAVM, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for this 33rd AGM and hence the Proxy Form, Attendance Slip and Route Map are not annexed to this Notice.
5. In pursuance of Sections 112 and 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the 33rd AGM through VC/OAVM and cast their vote through e-voting.
6. Institutional / Corporate members intending to represent through their authorised representatives in the AGM through VC/OAVM and to vote through remote e-voting or vote at the AGM are requested to send to the Company, a certified copy of the Board Resolution passed in pursuance to the provisions of Section 113 of the Act, authorising their representative, at its registered office of the Company by post/hand delivery or through email at designated e-mail address of the Company i.e. admin@menonbearings.in or at the Scrutinizer's email address i.e. manish@csmanishb.in.
7. In case of joint holders attending the meeting, only such joint holder who is higher in order of names will be entitled to vote.
8. The Register of Directors and Key Managerial Personnel and their shareholding maintained under

Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Act and all documents referred to in the notice of 33rd AGM, will be available online for inspection by the members on request by sending an e-mail to the Company at adm@menonbearings.in.

9. Pursuant to the provisions of Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 31st August, 2024 to Friday, 06th September, 2024 (both days inclusive).
10. The SEBI vide its Master Circular No. SEBI/HO/MIRSD/POD-1/CIR/2024/37 dated 7th May, 2024 read with all previous circulars issued by the SEBI from time to time with regard to common and simplified norms for processing investor's service requests and for furnishing PAN, KYC details and Nomination, the shareholders holding shares in physical mode and whose folios are not updated with any of the KYC details viz. (i) PAN (ii) Choice of Nomination (iii) Contact Details (Address with PIN code) (iv) Mobile Number (v) Bank Account Details and (vi) Signature, are mandatorily required to update the same with the Company / RTA/Depository of the Company. The shareholders whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible to lodge grievance or avail any service request from the RTA only after furnishing PAN, KYC details and Nomination and for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from 1st April, 2024.

Further, relevant FAQs published by SEBI on its website can be viewed at the following link: https://www.sebi.gov.in/sebi_data/faqfiles/jan-2024/1704433843359.pdf

The forms for updation of PAN, KYC, Bank details and Nomination viz. Forms ISR-1, ISR-2, ISR-3, SH-13 and the relevant SEBI Circulars are also available on Company's website at www.menonbearings.in In accordance with the aforementioned SEBI Master Circular read with all other circulars issued from time to time in this regard and SEBI directive vide e-mail to RTAs on 23rd January, 2024, the Company has sent communication to members holding shares in physical mode and whose folios are incomplete with respect to PAN, Address with PIN code, Mobile Number, Bank Account details, Specimen Signature and Nomination of holders of physical securities requesting them to update such details. Members who hold shares in dematerialised form and wish to update their PAN, KYC, Bank and Nomination details are requested to contact their respective DPs.

As per the provisions of Section 72 of the Act and aforesaid SEBI Circulars, the facility for making nomination is available for the members in respect of the shares held by them. The members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he / she may submit the same in Form ISR-3 or Form SH-14, as the case may be. The said forms can be downloaded from the Company's website. The members are requested to submit these details to their DPs, in case the shares are held in electronic form, and to the Company's RTA, in case the shares are held in physical form.

11. The members holding shares in physical form are requested to notify any change in their address or bank details to the Company / RTA quoting their Folio Number. The members holding shares in the demat form are requested to update such details with their respective Depository Participants.
12. To comply with the provisions of Section 88 of the Act read with Rule 3 of the Companies (Management and Administration) Rule 2014, the members are requested to submit their e-mail ID and other details vide e-mail updation form available on Company's website viz. <https://www.menonbearings.in> The same could be done by filling up and signing at the appropriate place in the said form and by sending the same

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

13. Members may note that the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, mandates that the dividend paid or distributed by a company w.e.f. 1st April, 2020 shall be taxable in the hands of the members. The Company shall, therefore, be required to deduct tax at source ("TDS") at the time of making the payment of dividend. In order to enable us to determine the appropriate TDS rate as applicable, the members are requested to submit Form 15G/Form 15H or any other documents as applicable, if any, in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows:

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN / Invalid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by him during financial year 2024-25 does not exceed Rs. 5,000/- and also in cases where members have provided Form 15G (applicable to individual) / Form 15H (applicable to individual aged 60 years and above), subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as applicable, if any, in accordance with the provisions of the IT Act.

For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable provisions of the IT Act, at the rates in force. The withholding tax shall be @ 20% (plus applicable surcharge and cess) or as may be notified by the Government of India on the amount of dividend payable. However, as per provisions of Section 90 of the IT Act, non-resident shareholders have option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) read with Multilateral Instrument ("MLI") between India and the country of tax residence of such member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA read with MLI, non-resident shareholders will have to provide the following details / documents:

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member or details as prescribed under rule 37BC of Income-tax Rules, 1962.
- Copy of Tax Residency Certificate (TRC) for the FY 2024-25 obtained from the revenue authorities of the country of tax residence, duly attested by member.
- Self-declaration in Form 10F.
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty.
- Self-declaration of beneficial ownership by the non-resident shareholder.
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member.

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess) or the rate provided in relevant DTAA, read with MLI, whichever is more beneficial, subject to the submission of the above documents.

The aforementioned documents are required to be submitted by sending email at admin@menonbearings.in upto 23.59 hrs. IST on 30th August, 2024.

14. As per Regulation 40 of the Listing Regulations, as amended, the request for transfer of securities shall not be processed unless the securities are held in dematerialised form. Further the request for transmission or transposition of securities held in physical or dematerialised form shall be affected only in dematerialised form. 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.
15. The cut-off date for the purpose of determining eligibility of members for e-voting in connection with the 33rd AGM has been fixed as Friday, 30th August, 2024 ("**Cut-off date**").
16. The members can join the 33rd AGM through VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the Notice. The facility of participation at the 33rd AGM through VC/OAVM will be made available to atleast 1000 members on first come first serve basis; however this limit does not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors etc., who are allowed to attend the AGM without restriction on account of first come first serve basis.
17. The attendance of the members attending the 33rd AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
18. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the 33rd AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those members whose email addresses are registered with the Company/ Depository Participants. The members may note that the Notice and Annual Report for the financial year 2023-24 will also be available on the Company's website viz. <https://www.menonbearings.in> websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited viz. www.bseindia.com and www.nseindia.com respectively and on the website of RTA viz. <https://instavote.linkintime.co.in>.
19. Non-Resident Indian members are requested to inform to the Company's Registrar & Share Transfer Agents 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.
20. Members holding shares in identical order of names in more than one folio are requested to write to the Company / RTA enclosing their share certificates to enable the Company to consolidate their holdings in one folio for better services.
21. The members are requested to forward their all communications to the Company's RTA and are further requested to always quote their Folio Number /DPID-Client ID in all correspondence with the Company / RTA.
22. The shares of the Company are listed on BSE Limited and National Stock Exchange of India Limited. The listing fees for the financial year 2024-25 have been paid to both the stock exchanges.
23. The SEBI vide Gazette Notification no. SEBI/LADNRO/GN/2022/66 dated 24th January, 2022 read with Master Circular No. SEBI/HO/MIRSD/POD-1/CIR/2024/37 dated 7th May, 2024 has simplified the procedure and standardized the format of documents for transmission of securities; henceforth while processing certain prescribed service request(s) such as issue of duplicate share certificate, claim from

Unclaimed Suspense Account, renewal/exchange of share certificates, endorsement, sub-division / splitting of share certificates, consolidation of share certificates/folios, transmission, and/or transposition received from the shareholder/claimant. Upon receipt of service request(s) from shareholder/claimant (in prescribed form ISR-4), the RTA of the Company shall verify and process the said request. After removing objections, if any, the RTA will intimate the shareholder/claimant about its execution/issuance of new certificate as may be applicable. The RTA shall retain the physical Share Certificate with them and shall issue 'Letter of Confirmation' to the shareholder/claimant in lieu of physical share certificate(s). The shareholder/claimant shall lodge request for dematerialization of shares along with the original Letter of Confirmation received from the RTA within 120 (One Hundred Twenty) days of issue of the Letter of Confirmation to his Depository Participant (DP). In case the shareholder/claimant fails to submit the demat request within the aforesaid period, the Company shall credit such shares to the Suspense Escrow Demat Account of the Company opened for the said purpose.

24. SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/76 dated 30th May, 2022, Master Circular No. SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2023/195 dated July 31, 2023 as updated from time to time read with all other circulars issued earlier in this regard, provided an option for arbitration as a Dispute Resolution Mechanism for investors. As per the said circulars, investors can opt for arbitration with the Stock Exchanges in case of any dispute against the Company or its RTA on delay or default in processing any investor service related request. In compliance with the said Circular, the Company has sent communication intimating about the Dispute Resolution Mechanism to all the members holding shares in physical form. Further, a common Online Dispute Resolution Portal (“ODR Portal”) is established for resolution of disputes arising in the Indian Securities Market. Pursuant to above-mentioned circulars, post exhausting the option to resolve investors' grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (<https://smartodr.in/login>) and the same can also be accessed through the Company's website <https://www.menonbearings.in/investor-relations/investors-information.htm>.
25. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and SS-2, the Company is pleased to provide e-voting facility to its members to exercise their right to vote electronically on the resolutions mentioned in the notice of 33rd AGM dated 18th July, 2024. The members may cast their vote using electronic voting system from a place other than the venue of the meeting (“remote e-voting”).
 - a) The facility of casting the vote by the members/ shareholders using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) and e-voting during the meeting will be provided by Link Intime.
 - b) A person whose name is recorded in the Register of Members / List Beneficial Owners as on the cut-off date only shall be entitled to avail the facility of “remote e-voting” or e-voting during the AGM.
 - c) The “remote e-voting” period commences on Tuesday, 03rd September, 2024 (9:00 hrs.) and ends on Thursday, 05th September, 2024 (17:00 hrs.). During this period, members / shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote by “remote e-voting”. The “remote e-voting” module shall be disabled by Link Intime for voting thereafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.
 - d) The voting rights of members / shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date.

Any person who becomes a member of the Company after dispatch of the Notice of meeting and holding shares as on the cut-off date may obtain the User ID and password by sending request at enotices@linkintime.co.in. If you forgot your password, you can reset your password by following the process as provided in the e-voting instructions process provided with the 33rd AGM notice.

- e) The Board of Directors of the Company has appointed CS Manish Baldeva, Proprietor M/s. M Baldeva Associates, Company Secretaries, Mumbai (FCS No.: 6180/CP No.: 11062) as Scrutinizer to scrutinize the voting through remote e-voting process and e-voting during the 33rd AGM in a fair and transparent manner. The Scrutinizer shall, within 2 working days from the conclusion of the AGM, prepare a consolidated scrutinizer's report on the votes cast in favour or against, if any, and forthwith the same to the Chairman of the meeting or a person authorized by him who shall countersign the same and declare the result of the voting.
- f) The result declared along with the report of the Scrutinizer shall be placed on the website of the Company viz. <https://www.menonbearings.in> and on the website of Link Intime viz. <https://www.instavote.linkintime.co.in> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will be communicated simultaneously to the stock exchanges also.
- g) Subject to receipt of requisite number of votes in favour, the resolutions shall be deemed to be passed on the date of the 33rd AGM i.e. Friday, 06th September, 2024.

26. The Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 ("Act") in respect of special business is annexed hereto and forms part of this notice. The Board of Directors of the Company has considered and decided to include Item Nos. 4 above as Special Business in the forthcoming AGM.

INSTRUCTIONS FOR E-VOTING AND JOINING THE 33RD AGM ARE AS FOLLOWS:

A. VOTING THROUGH ELECTRONIC MEANS :

- a. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the Listing Regulations and Secretarial Standards on General Meetings (SS-2) issued by the ICSI, the Company is pleased to provide e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice of the 33rd AGM of the Company dated 18th July 2024. The members may cast their votes using an electronic voting system from a place other than the venue of the meeting ('remote e-voting').
- b. A person, whose name is recorded in the Register of Members or in the List 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 or e-voting during the AGM.
- c. The remote e-voting period shall commence on Tuesday, 3rd September, 2024 (9.00 A.M.) and end on Thursday, 5th September, 2024 (5.00 P.M.). During this period, members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Friday, 30th August, 2024 may cast their vote electronically. The remote e-voting module shall be disabled by Link Intime India Private Limited for voting thereafter. Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently. Those members, who are present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the 33rd AGM.
- d. The voting rights of the shareholders shall be in proportion to their share in the paid up equity share

capital of the Company as on the cut-off date i.e. Friday, 30th August, 2024 Any person, who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at enotices@linkintime.co.in.

- e. The members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.
- f. The Board of Directors of the Company has appointed CS Manish Baldeva (FCS 6180 / CP No. 11062), Proprietor of M/s. M Baldeva Associates, Company Secretaries, Mumbai, as Scrutinizer to scrutinize the e-voting process i.e. remote e-voting and e-voting during the 33rd AGM in a fair and transparent manner. The Scrutinizer shall, within 2 working days of the conclusion of the AGM, issue a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, and forthwith the same to the Chairman or a person authorised by him in writing, who shall countersign the same and declare the result of the voting.
- g. The result declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company viz. www.menonbearings.in and on the website of Link Intime India Private Limited viz. <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously communicate the result to National Stock Exchange of India Limited and BSE Ltd., where the shares of the Company are listed.
- h. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting i.e. Friday, 6th September, 2024.

Remote e-voting instructions for shareholders:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

Login method for Individual shareholders holding securities in demat mode is given below:

Individual Shareholders holding securities in demat mode with NSDL:

METHOD 1 - If registered with NSDL IDeAS facility

Users who have registered for NSDL IDeAS facility:

- a) Visit URL: <https://eservices.nsdl.com> and click on "Beneficial Owner" icon under "Login".
- b) Enter user id and password. Post successful authentication, click on "Access to e-voting".
- c) Click on "LINKINTIME" or "e-voting link displayed alongside Company's Name" and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

User not registered for IDeAS facility:

- a) To register, visit URL: <https://eservices.nsdl.com> and select "Register Online for IDeAS Portal" or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided with Login ID and password.
- d) After successful login, click on "Access to e-voting".

- e) Click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of NSDL:

- a) Visit URL: <https://www.evoting.nsdl.com/>
- b) Click on the “Login” tab available under 'Shareholder/Member' section.
- c) Enter User ID (i.e., your sixteen-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you can see “Access to e-voting”.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in Demat Mode with CDSL

METHOD 1 – From Easi/Easiest

Users who have registered/ opted for Easi/Easiest

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or www.cdslindia.com.
- b) Click on New System Myeasi
- c) Login with user id and password
- d) After successful login, user will be able to see e-voting menu. The menu will have links of e-voting service providers i.e., LINKINTIME, for voting during the remote e-voting period.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

OR

Users not registered for Easi/Easiest

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration/> / <https://web.cdslindia.com/myeasitoken/Registration/EasiestRegistration>
- b) Proceed with updating the required fields.
- c) Post registration, user will be provided Login ID and password.
- d) After successful login, user able to see e-voting menu.
- e) Click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

METHOD 2 - By directly visiting the e-voting website of CDSL:

- a) Visit URL: <https://www.cdslindia.com/>
- b) Go to e-voting tab.
- c) Enter DematAccount Number (BO ID) and PAN No. and click on “Submit”.
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in DematAccount
- e) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Individual Shareholders holding securities in demat mode with Depository Participant:

Individual shareholders can also login using the login credentials of your demat account through your

depository participant registered with NSDL/CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, members shall navigate through “e-voting” tab under Stocks option.
- c) Click on e-voting option, members will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting menu.
- d) After successful authentication, click on “LINKINTIME” or “evoting link displayed alongside Company's Name” and you will be redirected to Link Intime InstaVote website for casting the vote during the remote e-voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Visit URL: <https://instavote.linkintime.co.in>
2. Click on “**Sign Up**” under '**SHARE HOLDER**' tab and register with your following details: -
 - A. User ID:** Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.
 - B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.
 - C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)
 - D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

* *Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

* *Shareholders holding shares in **NSDL form**, shall provide 'D' above*

Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).

Click “confirm” (Your password is now generated).
3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Guidelines for Institutional shareholders (“Corporate Body/ Custodian/Mutual Fund”):

STEP 1 – Registration

- a) Visit URL: <https://instavote.linkintime.co.in>
- b) Click on Sign up under “Corporate Body/ Custodian/Mutual Fund”
- c) Fill up your entity details and submit the form.
- d) A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to insta.vote@linkintime.co.in.
- e) Thereafter, Login credentials (User ID; Organisation ID; Password) will be sent to Primary contact person's email ID.
- f) While first login, entity will be directed to change the password and login process is completed.

STEP 2 –Investor Mapping

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on “Investor Mapping” tab under the Menu Section
- c) Map the Investor with the following details:
 - a. Investor ID' -
 - i. *Members holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID i.e., In00000012345678*
 - ii. *Members holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.*
 - b. Investor's Name - Enter full name of the entity.
 - c. Investor PAN' - Enter your 10-digit PAN issued by Income Tax Department.
 - d. Power of Attorney' - Attach Board resolution or Power of Attorney. File Name for the Board resolution/Power of Attorney shall be – DP ID and Client ID. Further, Custodians and Mutual Funds shall also upload specimen signature card.
 - d) Click on Submit button and investor will be mapped now.
 - e) The same can be viewed under the “Report Section”.

STEP 3 – Voting through remote e-voting.

The corporate shareholder can vote by two methods, once remote e-voting is activated:

METHOD 1 - VOTES ENTRY

- a) Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- b) Click on 'Votes Entry' tab under the Menu section.
- c) Enter Event No. for which you want to cast vote. Event No. will be available on the home page of

- Instavote before the start of remote voting.
- Enter '16-digit Demat Account No.' for which you want to cast vote.
 - Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
 - After selecting the desired option i.e., Favour / Against, click on 'Submit'.
 - A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

OR

VOTES UPLOAD:

- Visit URL: <https://instavote.linkintime.co.in> and login with credentials as received in Step 1 above.
- You will be able to see the notification for e-voting in inbox.
- Select '**View**' icon for '**Company's Name / Event number**'. E-voting page will appear.
- Download sample vote file from 'Download Sample Vote File' option.
- Cast your vote by selecting your desired option 'Favour / Against' in excel and upload the same under 'Upload Vote File' option.
- Click on 'Submit'. 'Data uploaded successfully' message will be displayed. (Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

Helpdesk:

Helpdesk for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 – 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Forgot Password:

Individual Shareholders holding securities in Physical Mode has forgotten the password:

If an Individual Shareholder holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting

website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'SHARE HOLDER' tab and further Click 'forgot password?'
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders are having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

User ID for Shareholders holding shares in NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID

User ID for Shareholders holding shares in CDSL demat account is 16 Digit Beneficiary ID.

Institutional shareholders ("Corporate Body/ Custodian/Mutual Fund") has forgotten the password:

If a Non-Individual Shareholders holding securities in demat mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on 'Login' under 'Corporate Body/ Custodian/Mutual Fund' tab and further Click 'forgot password?'
- o Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders are having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain a minimum of 8 characters, at least one special character (@!#\$%&), at least one numeral, at least one alphabet and at least one capital letter.*

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

B. PROCESS AND MANNER FOR ATTENDING THE AGM THROUGH INSTAMEET AREAS UNDER:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in> & Click on "Login".

► Select the “**Company**” and '**Event Date**' and register with your following details: -

A. Demat Account No. or Folio No: Enter your 16 digit Demat Account No. or Folio No.

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide Folio Number** registered with the Company

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. Mobile No.: Enter your mobile number.

D. Email ID: Enter your email id, as recorded with your DP/Company.

- Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting)

Instructions for Shareholders/ Members to Speak during the General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request with the company.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panelist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panelist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote

subsequently.

Note: Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 (“ACT”) AND REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“LISTING REGULATIONS”):

Item No. 4

The Board, on the recommendation of the Audit Committee, reappointed M/s. C. S. Adawadkar & Co., Cost Accountants, Pune (FRN: 100401), as Cost Auditors of the Company to conduct audit of the cost records of the Company for the financial year ending 31st March, 2025 at 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 basis.

In accordance with the provisions of Section 148(3) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the members of the Company.

Accordingly, consent of the members of the Company is sought by passing an Ordinary Resolution as set out at Item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2025.

The Board recommends the Ordinary Resolution as set out at Item no. 4 of the Notice for approval of the members.

None of the Directors, Key Managerial Personnel of your Company or their relatives are concerned or interested, financially or otherwise, in the said resolution.

INFORMATION OF DIRECTORS BEING PROPOSED TO BE RE-APPOINTED OR WHOSE REMUNERATION IS TO BE APPROVED AS PER REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS IS GIVEN BELOW:

Name of Director	Mr. Arun Aradhya
DIN	03052587
Designation	Whole Time Director & CFO
Date of Birth / Age	26 th June, 1956 (67 years)
Nationality	Indian
Qualifications	M. Com, LLB, GDCA
Experience (including nature of expertise in specific functional areas / Brief Resume)	He is associated with the Company for more than 13 years and is having vast experience of more than 47 years in the fields of Accounts, Finance, Business, Administration and Management.
Terms and Conditions of appointment / re- appointment	Shall be liable to retire by rotation.
Details of remuneration sought to be paid	Not applicable
Remuneration last drawn, if applicable	
Date of first appointment on the Board	31 st January, 2019
Shareholding in the Company (Equity Shares of Re. 1/- each) as on 31st March, 2024	1050 Shares
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Not Related
Number of meetings of the Board attended during the year 2023-24	6 (six)
Directorship held in other Companies	<ol style="list-style-type: none"> 1. Menon United Private Limited 2. Flyga Hotels Private Limited (Formerly known as Menon Signature Private Limited) 3. Flyga Auto Private Limited 4. Flyga Resorts Private Limited 5. Venkatesh Cottex Private Limited 6. Menon Brakes Limited (Formerly known as Menon Brakes Private Limited) 7. Menon Alkop Limited 8. Menon Bearings New Ventures Limited
List of Membership / Chairmanship of Committees of other Boards	Nil
Names of listed entities from which the appointee has resigned in the past three years	Nil
Names of listed entities from which the appointee has resigned in the past three years	Nil
Skills and capabilities required for the role and manner in which the proposed appointee meets such requirements	Not Applicable
Summary of Performance, Evaluation / Justification for choosing the appointee for appointment as Independent Director	Not Applicable

Board of Directors' Report

To,
The Members,

Your directors feel great pleasure in presenting the 33rd Annual Report of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2024.

FINANCIAL HIGHLIGHTS:

(Rs. in Lakh)

Sr. No.	Particulars	Standalone		Consolidated	
		31 st March, 2024	31 st March, 2023	31 st March, 2024	31 st March, 2023
1.	Total Revenue (Net)	20,991.77	21,986.35	21,442.27	21,986.35
2.	Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	4,584.75	5,345.28	4,511.87	5,333.40
3.	Less : Depreciation and Amortization Expenses	814.53	791.56	871.21	791.56
	Finance Cost	322.96	291.06	326.74	291.06
4.	Profit before Tax	3,447.26	4,262.66	3,313.92	4,250.78
5.	Less: Provision for Tax	878.42	990.59	878.42	990.59
6.	Profit after Tax	2,568.84	3,272.06	2,435.50	3,260.18
7.	Other Comprehensive Income	(16.17)	(5.72)	(16.17)	(5.72)
8.	Total Comprehensive Income	2,552.67	3,266.35	2,419.33	3,254.47
9.	Balance of Profit as per last Balance Sheet	11,504.41	9,433.86	11,492.53	9,433.86
10.	Balance Available for Appropriation	14,057.08	12,700.21	14,057.08	12,700.21
11.	Rate of Dividend Paid	225%	200%	225%	200%
12.	Dividend Paid	1,260.90	1,120.80	1,260.90	1,120.80
13.	Transfer to General Reserve	75.00	75.00	75.00	75.00
14.	Balance of Profit carried to Balance Sheet	12,721.18	11,504.41	12,738.87	11,642.53

REVIEW OF OPERATIONS:

The Company is engaged in the business of manufacturing of "Auto Components". During the financial year under review, the Company has registered a turnover of Rs. 20,991.77 Lakh (previous year Rs. 21,986.34 Lakh) and Profit After Tax of Rs. 2,568.84 Lakh (previous year Rs. 3,272.06 Lakh).

During the financial year under review, the Company has registered a consolidated turnover of Rs. 21,442.27 Lakh (previous year Rs. 21,986.35 Lakh) and consolidated Net Profit of Rs. 2,435.50 Lakh (previous year Rs. 3,260.18 Lakh).

DIVIDEND:

The Company's overall performance during the financial year under review was satisfactory. Based on the performance, the Company declared interim dividend @ Rs. 2.25 per Equity Share (previous year Rs. 2.00 per Equity Share), being 225% of the paid-up Equity Share Capital of the Company for the financial year ended 31st March, 2024. Considering current market scenario and to conserve resources, your directors are not recommending any further dividend for the financial year ended 31st March, 2024 and the interim dividend already paid may be taken as final dividend for the financial year under review.

SHARE CAPITAL OF THE COMPANY:

During the financial year under review, there was no change in the paid-up share capital of the Company. As on 31st March, 2024, the paid up share capital of the Company was Rs. 5,60,40,000/- divided into 5,60,40,000 Equity Shares of Re. 1/- each.

CHANGE IN THE NATURE OF BUSINESS OF THE COMPANY:

There was no change in the nature of business activities of the Company during the financial year under review.

The Company proposed to undertake following business activities in two separate entities and incorporated two wholly owned subsidiaries of the Company for that purposes:

1. Menon Alkop Limited – manufacturing of aluminum die castings of all kinds for its application in various domestic, commercial and industrial uses. The Company, after taking necessary approval from its shareholders through Postal Ballot process, result of which was declared on 28th April, 2024, transferred its Aluminum Division to Menon Alkop Limited, the Wholly Owned Subsidiary Company on Slump Sale basis.
2. Menon Bearings New Ventures Limited – to engage in the business of auto dealerships, charging technologies, emerging EV services, cold chain, highway side amenities, real estate development and in the area of new opportunities in service sector to house non engineering business.

RESERVES:

During the financial year under review, a sum of Rs. 75.00 Lakh (previous year Rs. 75.00 Lakh) was transferred to the General Reserve.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:

The Company incorporated two wholly owned subsidiary companies namely Menon Alkop Limited on 23rd January, 2024 and Menon Bearings New Ventures Limited on 7th February, 2024 registered with the Registrar of Companies, Pune, Maharashtra. Besides these two wholly owned subsidiaries, the Company has another wholly owned subsidiary company viz. Menon Brakes Limited (formerly known as Menon Brakes Private Limited). Pursuant to the provisions of Section 129(3) of the Companies Act, 2013 ("Act"), a statement containing salient features of the financial statements of wholly owned subsidiary companies in Form AOC - 1 is annexed as **Annexure – I** and forms part of this Report.

During the financial year under review, the Company had no joint venture / associate company.

CONSOLIDATED AUDITED FINANCIAL STATEMENTS

Pursuant to the provisions of Sections 129 and 133 of the Act read with the Companies (Accounts) Rules, 2014 and as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company has prepared Consolidated Audited Financial Statements consolidating financial statements of its wholly owned subsidiaries namely "Menon Brakes Limited" (formerly "Menon Brakes Private Limited"), "Menon Alkop Limited" and "Menon Bearings New Ventures Limited" with its financial statements in accordance with the applicable provisions of Indian Accounting Standards ("Ind-AS").

The Consolidated Audited Financial Statements along with the Independent Auditors' Report thereon are annexed and form part of this Report and the summarized consolidated financial position is provided in financial highlights stated hereinabove.

PUBLIC DEPOSITS:

During the financial year under review, the Company has not accepted or renewed any deposits from public within the meaning of Sections 73 and 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

ANNUAL RETURN:

As required under Section 92(3) read with Section 134(3)(a) of the Act, the copy of Annual Return as on 31st March, 2024 will be placed on the website of the Company and can be accessed at <https://menobearings.in/investor-relations/investorinformation>.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a) Retirement by rotation

In accordance with the provisions of Section 152 of the Act read with the Companies (Management and Administration) Rules, 2014 and Articles of Association of the Company, Mr. Arun Aradhya (DIN:03052587), Whole Time Director & CFO of the Company, retires by rotation at the ensuing 33rd Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

b) Appointment and Re-appointment

No new director was appointed on the Board of Directors of the Company during the financial year under review.

The members of the Company, in their 32nd Annual General Meeting held on 27th July, 2023 re-appointed the following directors:

1. Mr. Arun Aradhya (DIN: 03052587) as Whole Time Director of the Company for a further period of 5 (five) years effective from 31st January, 2024.

2. Dr. Santosh Prabhu (DIN: 00506595) as an Independent Director (Non – Executive) of the Company for the second term of 5 (five) consecutive years effective from 24th October, 2023.

c) Cessation

During the year under report, no director of the Company has been ceased from his/her office.

d) Declaration from Independent Directors

The Company has received the necessary declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Act and Regulation 16(1)(b) and Regulation 25(8) of the Listing Regulations that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct.

Further, the Independent Directors have also submitted their declaration in compliance with the provisions of Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, which mandated the inclusion of the name of an Independent Director in the data bank of Indian Institute of Corporate Affairs.

None of the directors of your Company is disqualified under the provisions of Section 164(2) of the Act. Your directors have made necessary disclosures, as required under various provisions of the Act and the Listing Regulations and in the opinion of the Board, all the Independent Directors are persons of integrity and possess relevant expertise and experience and are independent of the management.

e) Number of Directors

As per Regulation 17(1)(c) of the Listing Regulations, the Company is required to appoint minimum 6 (six) directors including one woman director on its Board, and half of them should be independent directors.

At present, in compliance with the aforesaid provisions, your Company has six directors consisting of three Independent Directors including a woman director and three Executive Directors.

f) Annual Performance and Board Evaluation

The Board has devised a policy pursuant to the applicable provisions of the Act and the Listing Regulations for performance evaluation of the Chairman, Board as a whole and individual directors (including Independent Directors) and Committees, which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors.

The Board has devised questionnaire to evaluate the performance of Board as a whole, Board Committees and individual directors and Chairperson. The Chairman of respective Board Committees shared the report on evaluation with the Board. The performance of each Committee was evaluated by the Board, based on report on evaluation received from respective Board Committees. The reports on performance evaluation of the individual directors were reviewed by the Board.

The evaluation framework for assessing the performance of directors comprises of the following key areas:

- i. Attendance at Board and Committee Meetings;

- ii. Quality of contribution to the deliberations;
- iii. Strategic perspectives or inputs regarding future growth of the Company and its performance; and
- iv. Providing perspectives and feedback going beyond information provided by the management.

In a separate meeting of Independent Directors, taking into account the views of Executive Directors and Non-Executive Directors, performance of non-independent directors, the Board as a whole and Chairman of the Company was evaluated.

g) Key Managerial Personnel (“KMP”)

The details of Key Managerial Personnel of the Company are as follows:

Sr. No.	Name of Key Managerial Personnel	Designation
1.	Mr. Nitin Menon	Executive Chairman
2.	Mr. R. D. Dixit	Managing Director
3.	Mr. Arun Aradhya	Whole-Time Director & Chief Financial Officer
4.	Mr. Manmay Kalyankar	Company Secretary and Compliance Officer

MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policies and strategy apart from other Board business. A tentative annual calendar of the Board and Committee meetings is informed to the directors in advance to facilitate them to plan their schedule accordingly and to ensure meaningful participation in the meetings. However, in case of special or urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are noted in the subsequent meeting of the Board of Directors.

The notice of meetings of the Board of Directors and Committees are given well in advance to all the directors of the Company. Usually, meetings of the Board are held in Kolhapur, Maharashtra. The agenda of the Board / Committee meetings are circulated at least 7 days before the date of the meeting. The agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the directors to make informed decisions.

During the financial year under review, the Board of Directors met 6 (Six) times, the details of which are given in the report on Corporate Governance, forming part of this report. The intervening gap between two consecutive meetings was within the period prescribed under the Act and the Listing Regulations.

DIRECTORS' RESPONSIBILITY STATEMENT:

Your directors to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3) read with Section 134(5) of the Act state that:

- a. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March, 2024 and of the profit of the Company for that period;

- c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. they have prepared the annual accounts on a going concern basis;
- e. they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEES OF THE BOARD:

In accordance with the provisions of the Act and the Listing Regulations, the Company has constituted four committees of the Board, namely:

1. Audit Committee;
2. Stakeholders' Relationship Committee;
3. Nomination and Remuneration Committee; and
4. Corporate Social Responsibility Committee.

Details of the said Committees along with their charter, composition and meetings held during the financial year under review are provided in the report on Corporate Governance, forming part of this report.

AUDIT COMMITTEE:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations.

As on 31st March, 2024, the Audit Committee comprised of 4 (four) members viz., Mr. M. L. Shinde, Mr. R. D. Dixit, Mrs. Kailash A. Nevagi, and Dr. Santosh Prabhu. Mr. M. L. Shinde is the Chairman of the Audit Committee and the Company Secretary and Compliance Officer of the Company acts as the Secretary to the Audit Committee.

The Audit Committee of the Company reviews the reports to be submitted to the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process and vigil mechanism.

All the recommendations made by the Audit Committee during the year under report, were accepted by the Board of Directors of the Company.

WHISTLE BLOWER POLICY / VIGIL MECHANISM:

The Company has adopted Vigil Mechanism / Whistle Blower Policy as per the provisions of Section 177 of the Act and Regulation 22 of the Listing Regulations to deal with instances of fraud and mismanagement. It also provides adequate safeguards against victimization of directors or employees or any other person who avail the mechanism and it provides for direct access to the Chairman of the Audit Committee in exceptional cases.

The details of the Vigil Mechanism are provided in the report on Corporate Governance and also posted on the website of the Company at

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/5d008ce9be4f020001580c21/1560317231963/Whistle+Blower+Policy.pdf>

We affirm that during the financial year under review, no employee or director was denied access to the Chairman of the Audit Committee.

PARTICULARS OF EMPLOYEES:

The information, as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in **Annexure - II**, forming part of this report.

The statement containing particulars of employees, as required under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in this report as **Annexure - III**, forming part of this report.

REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations and on recommendation of the Nomination and Remuneration Committee, the Board of Directors has adopted a policy for selection and appointment of directors, senior management and their remuneration. The Remuneration Policy has been placed on the website of the Company and is available at <https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c9c4a3360c3a90bf041e/1459145236512/Policy+on+criteria+for+appointment+%26+remuneration+of+directors%2C+KMPs+%26+Senior+Management+personnel.pdf>

STATUTORY AUDITORS:

As per the provisions of Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company at their 31st AGM held on 22nd September, 2022 appointed M/s. A R N A & Associates, Chartered Accountants, Kolhapur (FRN: 122293W) as the Statutory Auditors of the Company for a term of 5 (five) consecutive years, and accordingly they shall hold office as such till the conclusion of 36th Annual General Meeting of the Company to be held for the financial year ending 31st March, 2027.

M/s. A R N A & Associates, Chartered Accountants, have furnished a certificate of their eligibility under Section 141 of the Act and the Companies (Audit and Auditors) Rules, 2014, confirming that they are eligible for continuance as Statutory Auditors of the Company.

STATUTORY AUDITORS' REPORT:

The Statutory Auditors' reports on the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31st March, 2024 forms part of this Report.

The Statutory Auditors' Reports on the Audited Standalone and Consolidated Financial Statements for the financial year ended 31st March, 2024 do not contain any qualifications, reservations or adverse remarks or disclaimer. Further, they have not reported any fraud as specified under the second proviso to Section 143(12) of the Act.

COST AUDITORS:

As per the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of the Company re-appointed M/s. C. S. Adawadkar & Co., Cost Accountants, Pune

(FRN: 100401) as Cost Auditors of the Company to conduct audit of cost records pertaining to manufacturing of Aluminum products, Bi-metallic products and tractors and other motor vehicles (including automotive components) for the financial year 2024-25, at 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 basis, subject to ratification of remuneration by the members of the Company in their general meeting. A resolution seeking ratification of the remuneration payable to the said Cost Auditors for the financial year 2024-25 by the members is being provided in the Notice of the ensuing 33rd AGM of the Company.

COST RECORDS:

The Cost accounts and records as required to be maintained under Section 148 (1) of the Act are duly made and maintained by the Company.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204(1) of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. M Baldeva Associates, Company Secretaries, Mumbai to undertake Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for the financial year 2023-24 is annexed as **Annexure - IV** and forms part of this Annual Report.

With respect to remarks in the said Secretarial Audit Report, your directors would like to state as follows:

- (a) Delay in filing of Form DPT-3 for the financial year ended 31st March 2023 with the Registrar of Companies - the delay in filing of said form was inadvertent; and
- (b) Non filing of Form MR 1 for re-appointment of Mr. R. D. Dixit with the Registrar of Companies – due to technical problem on MCAV3 portal, said form could not be filed.

INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Act read with the Companies (Accounts) Rules, 2014, the Board of Directors, based on the recommendation of the Audit Committee, re-appointed Mr. Abhay Golwalkar, Chartered Accountant, Kolhapur as Internal Auditor of the Company for the financial year 2024-25. Internal Auditor submits his report to the Audit Committee on quarterly basis.

Based on the report of Internal Auditor, the management undertakes corrective actions in their respective areas and thereby strengthens the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

INTERNAL FINANCIAL CONTROL:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, safeguarding of assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The Audit Committee evaluates the efficiency and adequacy of financial control system in the Company, its compliance with operating systems, accounting procedures at all locations of the Company and strives to maintain the highest standard in Internal Financial Control.

RISKS AND AREAS OF CONCERN:

The Company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risks. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

REPORT ON CORPORATE GOVERNANCE:

Pursuant to the provisions of Regulation 34(3) read with Schedule V of the Listing Regulations, the following have been made part of the Annual Report and are annexed to this report:

- Management Discussion and Analysis Report;
- Report on Corporate Governance;
- Declaration on compliance with Code of Conduct;
- Certificate from Practicing Company Secretary that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies; and
- Auditors' certificate regarding compliance of conditions of Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Pursuant to the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and has framed policy on Corporate Social Responsibility. As part of its initiatives under CSR, the Company has identified various projects / activities in accordance with Schedule VII of the Act.

The details of CSR activities undertaken during the financial year 2023-24, as required under Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014, are annexed as **Annexure - V** and forms part of this report.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All contracts / arrangements / transactions entered by the Company during the financial year under review with related parties were in the ordinary course of business on arm's length basis and are reported in the Notes to Accounts for the financial year ended 31st March, 2024.

The details of material related party transactions as referred to in Section 188(1) of the Act in the prescribed Form AOC-2 under the Companies (Accounts) Rules, 2014 are given in **Annexure - VI** and forms part of this report.

In accordance with the provisions of Regulation 23 of the Listing Regulations, the Company has formulated the Related Party Transaction Policy and the same is uploaded on the Company's website at <https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/6242e43417456f38e4a7f9b8/1648550976746/Related+Party+Transactions+Policy.pdf>.

MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

The Company has entered into a Business Transfer Agreement (BTA) with Menon Alkop Limited, the wholly owned subsidiary of the Company for the sale and transfer of its 'Aluminium Division' on Slump Sale basis w.e.f. 1st April, 2024 for an overall consideration of Rs. 20 Crores, as approved by the shareholders of the Company by special resolution passed under Section 180(1)(a) of the Companies Act, 2013, through Postal Ballot Process, result of which declared on 28th April 2024.

No other material changes or commitments affecting the financial position of the Company occurred between end of the financial year to which the financial statements relate and the date of this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, guarantees or investments made by the Company as required under Section 186 of the Act are given under Notes to Accounts for the financial year ended 31st March, 2024 and forms part of this report.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the Company or will have bearing on company's operations in future.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to the provisions of Section 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF established by the Government of India, which remained unpaid/unclaimed for seven years or more. Further, according to the said Rules, the shares on which dividend remained unpaid or unclaimed by the shareholders for seven consecutive years or more shall also be transferred to the demat account of the IEPF Authority. Accordingly, during the financial year under review, the Company transferred 29,520 Equity Shares to the demat account of the IEPF Authority for which dividends remained unpaid/unclaimed for seven consecutive years or more.

In terms of the provisions of Section 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, during the financial year under review, an amount of Rs. 1,471,380/- which remained unpaid and unclaimed dividend for the financial year 2015-16, was transferred to the IEPF account.

Further, the unpaid and unclaimed dividend amount lying with the Company for the financial year 2016-17 is due to transfer to the IEPF. The complete details of the same are available on the Company's website viz. <https://menonbearings.in/investor-relations/investorinformation>.

The Board has appointed Mr. Arun Aradhya, Whole-Time Director and Chief Financial Officer of the Company as the Nodal Officer to ensure compliance with the IEPF Rules.

INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has constituted an Internal Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the financial year under review, no complaint was filed before the said Committee. No complaint was pending at the beginning or at the end of the financial year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

Pursuant to the provisions of Section 134(3)(m) of the Act read with Rule 8 of the Companies (Accounts) Rules, 2014, details regarding Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure - VII** and forms part of this report.

COMPLIANCE WITH SECRETARIAL STANDARDS:

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and your directors confirm compliance of the same during the financial year under review.

PROCEEDINGS UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:

During the financial year under review, no application was made or proceeding initiated against the Company under the Insolvency and Bankruptcy Code, 2016 nor any such proceeding was pending at the end of the financial year under review.

VALUATION OF ASSETS:

During the financial year under review, there was no instance of one-time settlement of loans / financial assistance taken from Banks or Financial Institutions, hence the Company was not required to carry out valuation of its assets for the said purpose.

ACKNOWLEDGEMENT:

Your directors wish to place on record their gratitude for the continued co-operation and patronage extended by the esteemed customers both in OEM and Replacement Market segments. The directors would also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended during the financial year under report by our bankers, customers, suppliers and Government agencies. The Board of Directors wishes to express its appreciation for the valuable contribution made by the employees at all levels during the financial year under review.

**For and on behalf of the Board of Directors
of Menon Bearings Limited**

**Place : Kolhapur
Date : 18th July, 2024**

**Nitin Menon
Executive Chairman
DIN: 00692754**

**Annexure - I
FORM AOC -1**

[Pursuant to first proviso to sub-section 3 of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

**Statement containing salient features of the financial statements of
subsidiaries or associate companies or joint ventures.**

Part "A": Subsidiaries

(Rs. in Lakh)

Sr. No.	1	2	3
Name of the subsidiary	Menon Brakes Ltd. (formerly known as Menon Brakes Private Limited)	Menon Alkop Ltd.	Menon Bearings New Ventures Ltd.
The date since when subsidiary was acquired	12 th December, 2022	23 rd January, 2024	7 th February, 2024
Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.	N.A.	N.A.
Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.	N.A.	N.A.
Share Capital	825.00	1.00	1.00
Reserves and Surplus	(120.41)	(11.90)	(12.91)
Total Assets	847.68	-	-
Total Liabilities	143.10	10.90	11.91
Turnover	450.50	-	-
Profit / Loss Before Taxation	(108.53)	(11.90)	(12.91)
Provision for Taxation	-	-	-
Profit / Loss after Taxation	(108.53)	(11.90)	(12.91)
Proposed Dividend	-	-	-
Extent of Shareholding (in percentage)	100%	100%	100%

Names of subsidiaries which are yet to commence operations: Menon Bearings New Ventures Limited and Menon Alkop Limited.

Names of subsidiaries which have been liquidated or sold during the year: Nil

Part "B": Associates and Joint Ventures

Not Applicable as the Company does not have any associate and joint venture.

As per our report of even date attached
For M/s. A R N A & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576

NITIN MENON
Executive Chairman
DIN: 00692754

R. D. DIXIT
Managing Director
DIN : 00626827

Place : Kolhapur
Date : 18th July, 2024

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Annexure - II

Details of the ratio of remuneration of each director to the median employee's remuneration

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2023 - 24 :	
Sr. No.	Name of the Directors	Ratio of remuneration to the median remuneration of the employees
1.	Mr. Nitin Menon	24.65
2.	Mr. R. D. Dixit	9.66
3.	Mr. Arun Aradhya	13.33
(Median remuneration of the employees of the Company for the financial year 2023-24 is Rs. 5.51 Lakh).		
(ii)	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	
Sr. No.	Names of the Director / CFO / CS	% Increase over last F.Y.
1.	Mr. Nitin Menon	(26.77)
2.	Mr. R. D. Dixit	22.85
3.	Mr. Arun Aradhya	15.51
4.	Mr. Manmay Kalyankar - CS	Not applicable
(iii)	The percentage increase in the median remuneration of employees in the financial year	6.98
(iv)	The number of permanent employees on the rolls of the Company	243
(v)	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in managerial remuneration.	Average percentile increase in Employee's other than managerial remuneration is 4.60% while managerial remuneration decreased by 10.22%.
(vi)	We hereby confirm that the remuneration is as per the Remuneration Policy recommended by the Nomination and Remuneration Committee of the Company and adopted by the Company.	

**For and on behalf of the Board of Directors
of Menon Bearings Limited**

Place: Kolhapur
Date : 18th July, 2024

**Nitin Menon
Executive Chairman
DIN:00692754**

Annexure - III
Information as required under Rule 5(2) of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014

I Names of the top ten employees of the Company in terms of remuneration drawn										
Sr no.	Name of employee	Designation of the employee	Remuneration received (Rs. in Lakh)	Nature of employment, whether contractual or otherwise	Qualifications / experience of the employee (in years)	Date of commencement of employment	Age (in years)	Last employment held before joining the Company	The percentage of equity shares held by the employee in the Company within the meaning of Clause (iii) of sub-rule (2) Rule 5	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager
1.	Mr. Nitin Menon	Executive Chairman	135.88	Contractual	B.Com / 30	1 st October, 1992	56	-	*34.29	-
2.	Mr. Arun Aradhya	Whole-Time Director & CFO	73.48	Permanent	M.Com, GDC & A LLB (Spl), CA (Inter) / 47	31 st January, 2011	67	Ghatge Patil Transport, Kolhapur	0.001874	-
3.	Mr. R. D. Dixit	Managing Director	53.26	Contractual	B.E. Mech / 56	1 st October, 1992	81	-	Nil	-
4.	Mr. Aditya Nitin Menon	Executive Assistant to Chairman	32.33	Permanent	M.E (UK) / 5	20 th October, 2019	26	-	5.79	Yes Mr. Nitin Menon, Executive Chairman
5.	Mr. Ranjeet Babasaheb Bhosale	Chief Operating Officer	30.53	Permanent	B.E. Mech / 32	2 nd July, 1992	58	Thyssen Group, Pune	0.00006	-
6.	Mr. Shantaram Babu Dhond	General Manager	20.25	Permanent	B.E. / 28	6 th October, 2006	50	Mani Auto Components, Kolhapur	Nil	-
7.	Mr. Nilesh Maniklal Tiwari	Assistant General Manager	19.18	Permanent	DME, DBM, B.TECH (MECH.)/ 21	24 th August, 2018	57	Maharashtra Scooters Ltd.	Nil	-
8.	Mr. Prashant Dattatraya Hanamar	Deputy General Manager	15.60	Permanent	B.E. / 31	14 th July, 1994	57	Xlo Mechine Tools Ltd, Thane	0.00004	-
9.	Mr. Ghatage Chadrakant Ramchandra	Assistant General Manager, (Accounts & Finance Dept)	13.37	Permanent	B.COM / 29	1 st October, 2020	56	Mani Auto Components, Kolhapur	Nil	-

10.	Mr. Amit Gajanan Talikoti	Assistant General Manager, (Marketing)	11.76	Permanent	BE, MBA / 20	27 th January, 2005	46	Ghatge Logistics, Nashik	0.00002	-
II	Remuneration includes salary, various allowances, contribution to Provident Fund and taxable value of Perks.									
III	Name of employees who were employed throughout the financial year 2023-24 or part thereof and were paid remuneration in excess of Managing Director or Whole-time Director or Manager and holds along with his spouse and dependent children not less than 2% of equity shares of the Company - Nil									
IV	Employees drawing remuneration of Rs. 8,50,000/- per month or Rs. 1,02,00,000/- per annum or more during the financial year									
Employee Name	Designation	Educational Qualification	Age (years)	Experience (in years)	Date of Commencement of employment	Remuneration paid (Rs. in Lakh)	Previous employment and designation			
Mr. Nitin Menon	Executive Chairman	B. Com	56	30 years	1 st October, 1992	135.88	-			

* The percentage of equity shares held includes that of the spouse.

**For and on behalf of the Board of Directors
of Menon Bearings Limited**

**Place: Kolhapur
Date : 18th July, 2024**

**Nitin Menon
Executive Chairman
DIN:00692754**

Annexure - IV
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2024

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Menon Bearings Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Menon Bearings Limited** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation of the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2024** ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (not applicable to the Company during the Audit Period);
 - (iv) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (not applicable to the Company during the Audit Period);
 - (v) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (not applicable during the Audit period);
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (not applicable to the Company during the Audit Period);
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (not applicable to the Company during the Audit Period); and
 - (ix) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) As informed and certified by the management of the Company, there are no laws that are specifically applicable to the business activities carried on by the Company based on its section / industry.

I have also examined compliance with the applicable clauses of the Secretarial Standards (SS – 1 and SS – 2) issued by the Institute of Company Secretaries of India.

During the period under audit, the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above, except:

- i) There was a delay in filing Form DPT-3 for the financial year ended 31st March 2023 with the Registrar of Companies, Pune, Maharashtra; and
- ii) Non filing of Form MR-1 with the Registrar of Companies, Pune, Maharashtra, in connection with the reappointment of Mr. R.D. Dixit as Managing Director w.e.f. 1st April, 2023.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all the directors and members to schedule the Board and Committee Meetings respectively, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meetings.

All decisions at Board and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period there was no specific event or action in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. having a major bearing on the Company's affairs.

**For M Baldeva Associates
Company Secretaries**

**CS Manish Baldeva
Proprietor**

**M. No. FCS 6180; C.P. No. 11062
Peer Review No. 1436/2021
UDIN: F006180F000772242**

**Place : Mumbai
Date : 18th July, 2024**

Notes:

1. This report is to be read with my letter of even date which is annexed as Annexure I and forms an integral part of this report.
2. The Company provided books, papers, minute books, registers, forms and returns and other records maintained by it by electronic means for my audit and I could not verify the original documents physically. However, the management of the Company has confirmed that all documents provided by electronic means are true and correct copies of original documents.

'Annexure I'

To,
The Members,
Menon Bearings Limited

My report of even date is to read along with this letter.

1. Maintenance of secretarial records is responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For M Baldeva Associates
Company Secretaries**

**CS Manish Baldeva
Proprietor**

**Place : Mumbai
Date : 18th July, 2024**

**M. No. FCS 6180; C.P. No. 11062
Peer Review No. 1436/2021
UDIN: F006180F000772242**

ANNEXURE - V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1) Brief outline on CSR Policy of the Company:

The CSR policy of the Company lays down the guidelines to make CSR a key business process for sustainable development of the society. The CSR policy also encompasses the scope of CSR activities of the Company. The CSR policy of the Company is available on the Company's website i.e.

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/60686d8e19c1e70c73d1c732/1617456533030/CSR+policy.pdf>

2) Composition of the CSR Committee:

Sr. No.	Names of Director	Designation / Nature of Directorship	Number of Meetings of CSR Committee held during the year	Number of Meetings of CSR Committee attended during the year
1.	Mr. Nitin Menon	Chairperson, Executive Chairman	2	2
2.	Mr. R. D. Dixit	Member, Managing Director	2	2
3.	Mr. M. L. Shinde	Member, Independent, Non-Executive Director	2	2
4.	Mr. Arun Aradhye	Member, Whole Time Director & CFO	2	2
5.	Dr. Santosh Prabhu	Member, Independent, Non-Executive Director	2	2

3) Provide the web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company:

<https://menonbearings.in/investor-relations/corporategovernance>

- 4) Provide the executive summary with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: **Not Applicable**
- 5) (a) Average Net Profit of the Company as per Sub-Section(5) of Section 135: **Rs. 3,322.56 Lakh**
 (b) Two percent of average net profit of the company as per Sub-Section (5) of Section 135: **Rs. 66.45 Lakh**
 (c) Surplus arising out of the CSR Projects or Programmes or Activities of the previous financial years: **Nil**
 (d) Amount required to be set off for the financial year, if any: **Rs. 6.89 Lakh**
 (e) Total CSR obligation for the financial year [(b)+(c)-(d)]: **Rs. 59.56 Lakh**
- 6) (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 107.88 Lakh**
 (b) Amount spent in Administrative Overheads: **NIL**
 (c) Amount spent on Impact Assessment, if applicable: **Not Applicable**
 (d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs. 107.88 Lakh**
 (e) CSR amount spent or unspent for the financial year: **Rs. 59.56 Lakh**

Total Amount spent for the Financial Year (Rs. in lakh)	Amount Unspent (Rs. in lakh)				
	Total Amount transferred to Unspent CSR Account as per Sub-Section (6) Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to Sub-Section (5) Section 135		
	Amount (Rs. in Lakh)	Date of transfer	Name of the Fund	Amount (Rs. in Lakh)	Date of transfer
59.56	Nil	N.A.	N.A.	N.A.	N.A.

(f) Excess amount for set off, if any:

Sr. No.	Particulars	Amount (in Rs.)
i)	Two percent of average net profit of the Company as per Section 135(5)	Rs. 66.45 Lakh
ii)	Total amount spent for the Financial Year	Rs. 107.88 Lakh
iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs. 41.43 Lakh
iv)	Excess amount spent during the financial year 2022-23	Rs. 6.89 Lakh
v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
vi)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Rs. 48.32 Lakh

7) Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

(Rs. in Lakh)

Sr. No.	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in RS.)	Amount spent in the reporting Financial Year	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any		Amount remaining to be spent in succeeding financial years	Deficiency, if any
					Amount	Date of transfer		
1	2022-23	Nil	Nil		Nil	NA	Nil	-
2	2021-22	35.18	Nil	35.18			Nil	-
3	2020-21	98.88	Nil	40.63			Nil	-

8) Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

- Yes
 No

If yes, enter the number of capital assets created / acquired: N.A.

Furnish the details relating to the asset(s) so created or acquired through Corporate Social Responsibility amount spent in the financial year: **Not Applicable**

Sr. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity / Authority / beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	(2)	(3)	(4)	(5)	(6)		

9) Specify the reason (s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable**

Place : Kolhapur
 Date : 18th July, 2024

NITIN MENON
 Chairman, CSR Committee
 DIN: 00692754

R. D. DIXIT
 Managing Director
 DIN : 00626827

Annexure - VI
FORM NO. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during the financial year 2023-24.

2. Details of material contracts or arrangements or transactions at arm's length basis:

Sr. No.	Particulars	Details
1.	Name(s) of the related party and nature of relationship	M/s. Mani Auto Components, a partnership firm in which Director and his relatives are interested
2.	Nature of Contracts / arrangements / transactions	Sale, purchase or supply of goods, or property of any kind, whether movable or immovable and availing or rendering of any services
3.	Duration of the contracts / arrangements / transactions	1 st April, 2024 to 31 st March, 2027
4.	Salient terms of the contracts or arrangements or transactions including the value, if any	F.Y. 2024-25- Rs. 4,000 Lakh F.Y. 2025-26- Rs. 5,000 Lakh F.Y. 2026-27- Rs. 5,500 Lakh
5.	Date(s) of approval by the Board, if any	28 th April, 2023
6.	Amount paid as advances, if any	Nil

**For and on behalf of the Board of Directors
of Menon Bearings Limited**

Place: Kolhapur
Date : 18th July, 2024

Nitin Menon
Executive Chairman
DIN:00692754

Annexure - VII

STATEMENT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO [PURSUANT TO PROVISIONS OF SECTION 134 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014]

I. CONSERVATION OF ENERGY

i. Steps taken or impact on conservation of energy :

The Company continues to take steps to improve energy conservation and utilization. Energy conservation measures have been taken and implemented wherever possible in all the plants and offices of the Company. Following are the highlights:-

- Steps taken to install roof top solar panels on upcoming new 2 buildings having area of approximately 1,05,000 sq. ft. The total generation of power is expected to be 1.50 MW. The same is expected to be completed in a period of 4-6 months.

ii. Steps taken by the Company for utilizing alternative sources of energy:

Installed nitrogen plant for material quality improvement & cost reduction.

iii. The capital investment on energy conservation equipments: Nil

II. TECHNOLOGY ABSORPTION

A. Technology Absorption, Adaptation & Innovation

1)	Efforts in brief made towards Technology Absorption, Adaptation and Innovation	<ul style="list-style-type: none"> • Installed lead free powder foundry at new plant as isolated lead free foundry. • Installed sintered & sanding line same as isolated lead free line. • Installed new plant for lead free powder. • Developed manual wall broach into the auto wall broach machine to avoid accidents. • Installed double station grooving machine (previously single station machine available, to reduces bottle neck from grooving operation) & Flange bearing coining press. • Low cost data acquisition automation into SPC data creation at Bush Line.
2)	Benefits derived as a result of above effort e.g. product improvement, cost reduction, product development etc.	<ul style="list-style-type: none"> • Cycle time reduced with reference to auto-load & un-load of components, achieving higher productivity for 5-station SPM & Double station grooving SPM. • Appropriate quality parts are produced. • Quality improved because of isolated powder line. • Cost saving in data acquisition automation instead of software base systems.

3)	In case of imported technology	<ul style="list-style-type: none"> • Technology developed in 5-station SPM & Double station grooving SPM.
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B. Research and Development (R&D):

1)	Specific areas in which R & D is being carried out by the Company	<ul style="list-style-type: none"> • Developed PTFE Bushes for sliding application. • Heat treatment of Aluminium alloys to develop higher strength parts
2)	Benefits derived as a result of above	<ul style="list-style-type: none"> • Eliminated cost of lubrication and increased the performance as coefficient of friction is very less. • High strength Aluminium parts for customers, giving higher reliability.
3)	Future plan of action	<ul style="list-style-type: none"> • To support customers for Dfm & Dfx.
4)	Expenditure on R & D	<ul style="list-style-type: none"> • Capital WIP : Rs. 20.22Lakh (30% advance) • Recurring: Rs.87.29Lakh • Total: Rs.107.51Lakh • Total R&D expenditure as a percentage of total turnover: 0.48%

III. FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export initiative for development of new export markets for products, services and exports.		Currently, the Company is exporting its products to various countries viz. USA, UK, Japan, Italy, France, China, Mexico, Brazil, Belgium, etc.	
Total foreign exchange used and earned		Current Year (Rs. in Lakh)	Previous Year (Rs. in Lakh)
Used	Imports	179.02	159.63
Earned	Direct Export	5,352.01	5,243.01
	Deemed Export	849.44	1,527.03

**For and on behalf of the Board of Directors
of Menon Bearings Limited**

Place: Kolhapur
Date : 18th July, 2024

**Nitin Menon
Executive Chairman
DIN:00692754**

Management Discussion and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENTS:

Indian Economy Overview:

A decade ago, Indian economy was placed at 10th largest economy in the world. Gradually, the economy has climbed up and today, we are the 5th largest economy in the world with a GDP of USD 3.7 trillion in FY 2024 despite the challenges posed by the COVID pandemic. This period is often referred to as an era of metamorphic growth, with India's economy being part of the G20's fastest-growing economies.

In January 2024, the National Statistical Office estimated that India's real GDP growth for the 2023–24 financial year would be 7.3%, the highest among major economies. This robust performance can be attributed to strong consumption demand from the middle class, rising incomes, improved lifestyles, and urbanization.

During the first half of the financial year 2024, India witnessed noticeable growth at 7.7%, following a growth rate of 7.6% in the second quarter. This upward trend underscores the resilience of our economy and its ability to rebound during challenging times.

In the interim budget, the government increased capital expenditure to INR 11,11,111 crore (11.1%), accounting for 3.4% of India's overall GDP. This strategic investment is expected to boost employment opportunities and drive economic growth.

Additionally, a 50-year interest-free loans scheme for capital expenditure was introduced for states with a budget capacity of INR 1.3 lakh crore. Effective budget management has led to a fiscal deficit projection of around 5.1% of GDP for this year, down from 5.8% in the financial year 2023–24.

Foreign Direct Investment (FDI) also saw substantial growth, reaching 596 billion USD between 2014 and 2023.

India aims to position itself as the third-largest economy globally, targeting a GDP of US\$ 5 trillion by 2027.

The nation has further set its goal to become a US\$ 7 trillion economy by 2030 while keeping a close watch on inflation, macroeconomic stability, and exchange rate while fulfilling the aspirations of Indian citizens to sustain a balanced quality of life in a safe and healthy environment.

The government aims even higher, aspiring to transform India into a 'developed country' by 2047.

Achieving this goal hinges on continued reforms, with active participation from state governments. Reforms should extend to governance at local levels (districts, blocks, and villages), making them more citizen-friendly and conducive to small businesses. Key areas include health, education, land, and labour reforms, where states play a significant role.

Robust domestic demand has been a driving force behind India's economic growth. Private consumption and investment have played pivotal roles, fuelled by government measures and reforms.

Investments in physical and digital infrastructure, along with efforts to boost manufacturing, have strengthened the supply side. As a result, the economy has maintained a growth rate of around 7% in recent years.

Looking ahead to FY25, real GDP growth is expected to remain close to this level.

In summary, India's journey involves both challenges and opportunities. Continued reforms, state-level participation, and sustained domestic demand will be critical for achieving its ambitious economic goals.

Industrial Review:

The Indian auto component industry, supported by a well-established manufacturing ecosystem, manufactures a wide range of products, such as engine parts, drive transmission and steering parts, body and chassis components, suspension and braking parts, equipment, and electrical parts, among others. These components cater to the diverse needs of the dynamic automobile industry.

India is experiencing robust demand for auto components due to a global shift in supply chains. Global original equipment manufacturers (OEMs) are increasingly sourcing from India and the trend towards indigenization is making the country an attractive destination for designing and manufacturing.

Key drivers of this demand include India's growing working population and expanding middle class. As the third-largest automobile market globally, India plays a significant role in the automotive industry.

The auto components sector contributes 2.3% to India's GDP and provides direct employment to over 1.5 million people. By 2026, it is estimated to be worth US\$ 200 billion, contributing 5-7% of India's GDP. The Automotive Mission Plan (2016-26) aims to create direct incremental employment for 3.2 million people by 2026.

In FY23, the Indian auto component industry achieved a record turnover of US\$ 70 billion, with expectations to reach US\$ 200 billion by 2026. During H1 2023-24, the turnover of the automotive component industry grew 12.6% year-on-year, reaching US\$ 36.1 billion (Rs. 2.9 lakh crore).

In the fiscal year 2024 (April-January), India sold 19.72 million units, reflecting a 16% year-on-year growth compared to 16.99 million units during the same period previous year.

Notably, India surpassed Japan in new auto sales in 2022, becoming the third-largest market for the first time, as reported by Nikkei Asia.

India is emerging as a global hub for auto component sourcing, with over 25% of its production exported annually. During H1 2023-24, the industry exported US\$ 10.4 billion and imported US\$ 10.2 billion worth of components, resulting in an export surplus of US\$ 200 million.

The electric vehicle (EV) market is also gaining traction. By 2025, an estimated 4 million EVs could be sold annually, increasing to 10 million by 2030. The EV market is projected to reach US\$ 206 billion.

Furthermore, the aftermarket for auto components grew by 7.5% during H1 2023-24, reaching Rs. 45,158 crore (US\$ 5.43 billion). By 2026, the automotive aftermarket segment in India is expected to reach US\$ 32 billion by 2030

Achievements:

- Major global OEMs have made India a component sourcing hub for their global operations.
- India is also emerging as a sourcing hub for engine components with OEMs increasingly setting up engine manufacturing units in the country.
- The turnover of the automotive component industry grew 32.8% to Rs. 5.6 lakh crore (US\$ 69.7 billion) during 2022-23 compared to the previous year and is expected to reach US\$ 200 billion by FY26.
- Establishing special auto parks & virtual SEZs for auto components
- Lower excise duty on specific parts of hybrid vehicles

- Policies such as Automotive Mission Plan 2016-26, Faster Adoption & Manufacturing of Electric Hybrid Vehicles (FAME, April 2015) and NMEM 2020 are likely to infuse growth in the auto component sector of the country.
- PLI schemes has been extended to the automobile sector with an aim of creating an incremental output of Rs. 2,31,500 Crore (US\$ 31.08 billion).
- The Government announced National Mission on Transformative Mobility and Battery Storage based on phased manufacturing program (PMP) until 2024.

Road Ahead- Futuristic Outlook:

The growth of global OEM sourcing from India & increased indigenisation of global OEMs are turning the Country into a preferred designing & manufacturing base.

With the Self-Reliant India mission, the auto industry is looking to half its INR 1 trillion (US\$ 13.6 billion) worth of auto component imports over the next 4-5 years. This will provide significant opportunities for existing and new auto components players to scale up.

Growth in working population & middleclass income will drive the market.

The Indian automobile sector recorded an inflow of huge investments from domestic and foreign manufacturers. FDI inflow in the sector stood at US\$ 35.65 billion between April 2000 and December 2023 which is around 5.35% of the total FDI inflows in India during the same period.

Production Linked Incentive (PLI) Schemes for 14 key sectors have been announced with an outlay of US\$ 23.84 billion (INR 1.97 lakh crore) to enhance India's Manufacturing capabilities and Exports.

Both Indian & global manufacturers are investing in new capacities & newer programmes to get long term advantage.

As markets in North, West & South of India are getting saturated, component manufacturers are eyeing untapped markets.

Increased investments in setting-up R&D operations & laboratories to conduct activities such as analysis, simulation & engineering Animations.

Several global Tier-I suppliers have also announced plans to increase procurement from their Indian subsidiaries.

On 2nd January 2024, the Union Finance Ministry allocated US\$ 180.3 million (INR 1,500 crores) to the second phase of India's FAME-II program.

Presence of a large pool of skilled & semi-skilled workforce amidst a strong educational system.

The Indian government has outlined US\$ 7.8 billion for the automobile and auto components sector in production-linked incentive (PLI) Scheme under the Department of Heavy Industries. They are expected to bring a capex of INR 74,850 crore (US\$ 9.58 billion) in the next five years.

The Bharat New Car Assessment Program (BNCAP) will not only strengthen the value chain of the auto component sector, but it will also drive the manufacturing of cutting-edge components, encourage innovation, and foster global excellence.

By FY28, the Indian auto industry aims to invest US\$ 7 billion (INR 58,000 crore) to boost localization of advanced components like electric motors and automatic transmissions, reducing imports and leveraging 'China Plus One' trend.

B. OPPORTUNITIES AND THREATS:

The Opportunities ahead:

High Entry Barrier: Higher gestation in product approval cycle among buyers due to technical nature of the products.

No Capacity Constraint: Land parcel available for future growth expansion in newer products segments to capture market growth.

Diversified Product Portfolio: Capabilities of manufacturing wide range of products and entering into new supplementary products segments.

Long Standing Relationship: Long standing relationships with customers with approvals in place.

New Technological Changes and the trend of outsourcing may gain traction.

Increasing focus on the After Market, aggressive export and import substitution.

Wide product portfolio catering to multiple sector, thereby de-risking the cyclical nature of any industry.

Threats:

Economic downturn: A slowdown in the economy can lead to reduced consumer spending and lower demand for automobiles, which in turn affects the demand for auto components.

Technological advancements: Rapid advancements in technology, such as electric vehicles and autonomous driving, can disrupt the traditional auto component industry. Your Company caters to heavy segments like Mines, Tractors, LCV / HCV etc. which are less challenged from the EV Segment.

Intense competition: The auto component industry is highly competitive, with numerous players vying for market share. Companies need to continuously innovate, improve efficiency and offer competitive pricing to stay ahead.

Currency fluctuations: Fluctuations in currency exchange rates can impact the cost of imported raw materials and components, affecting the profitability of auto component manufacturers.

Exports: The export revenues impact due to geopolitical disruptions and the international inflationary environment.

Future Challenges:

Technological advancements: With the rapid evolution of technology in the automotive sector, auto component manufacturers will need to keep up with the latest advancements. This may require investments in research and development, upskilling the workforce, and adopting new manufacturing processes.

Changing regulations: The automotive industry is subject to various regulations related to safety, emissions and

fuel efficiency. Auto component manufacturers will need to stay updated with these regulations and ensure compliance, which may require adjustments to their production processes and product offerings.

Global competition: The auto component industry in India faces competition from both domestic and international players. To remain competitive, manufacturers will need to focus on quality, cost-efficiency, and innovation. They may also need to explore collaborations and partnerships to access new markets and technologies.

Supply chain disruptions: The COVID-19 pandemic highlighted the vulnerability of global supply chains. Auto component manufacturers will need to build resilience in their supply chains, diversify sourcing strategies and ensure continuity of operations even during unforeseen disruptions.

Sustainability and environmental concerns: There is an increasing emphasis on sustainability and environmental responsibility in the automotive industry. Auto component manufacturers will need to adopt eco-friendly practices, such as reducing waste, improving energy efficiency and exploring alternative materials.

C. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

The segment-wise products consist of Original Equipment (OEM), After Market and Exports. The Company has a strong share of business in the OE Segment and has been upgrading its capabilities to stay technologically relevant to the segment. In the After Market and Export Segments, the Company supplies parts for several applications. The Company's constant endeavour to upgrade technology and reduce costs has been its strength. The products manufactured consist of bearings, bushes, thrust washers, strips and aluminium die casting components. OEM and Exports both segments have shown improvement.

D. OUTLOOK:

The increase in the demand for the Company's products used in segments like heavy vehicles, tractors, electrical and strips are expected to offer good opportunities for the Company coupled with effective cost control measures undertaken. Your Company has commenced its actions to be part of this change with appropriate product and solutions for customers. The outlook for the year is expected to be higher throughout the year.

E. RISKS AND CONCERNS:

The Board of Directors regularly overviews external and internal risks associated with the operations of the Company and carries out its impact assessment and effective implementation of the mitigation plans and risk reporting is conducted.

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has in place proper and adequate Internal Audit System that promotes reliable financial reporting, safeguards assets, encourages adherence to fair management and ethical conduct. Additionally, the Company has in place proper and adequate internal control systems which have been designed in a way that, they not only prevent fraud and misuse of the Company's resources but also protect shareholders' interest. Internal control systems comprise of policies and procedures which are designed to ensure reliability of financial reporting, compliance with policies, procedures, applicable laws and regulations. The Audit Committee of the Board of Directors, on regular intervals and in co-ordination with Internal and Statutory Auditors, reviews the adequacy of internal control systems within the Company.

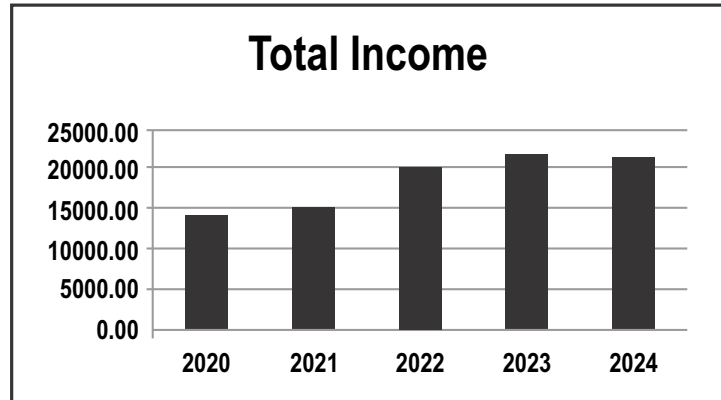
Based upon the recommendations of the Audit Committee, an Annual Audit Plan (AAP) is prepared and is reviewed periodically by the top management and the Audit Committee. The internal audit focuses on

compliances as well as on robustness of various business processes. A feedback on non-conformities along with recommendation for process improvements is directly provided to the top management of the Company. Compliance on audit findings and tracking of process improvements is regularly carried out.

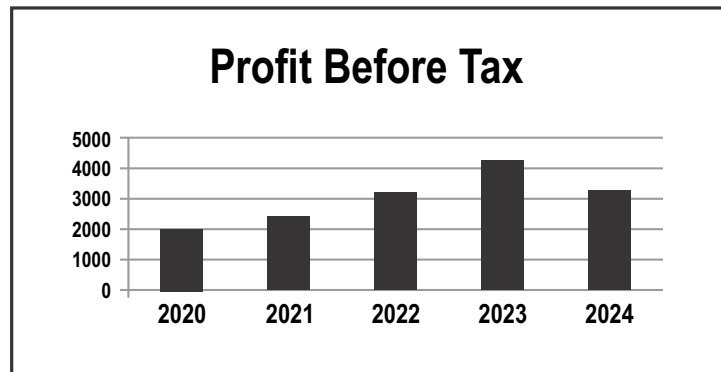
G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

Financial Performance:

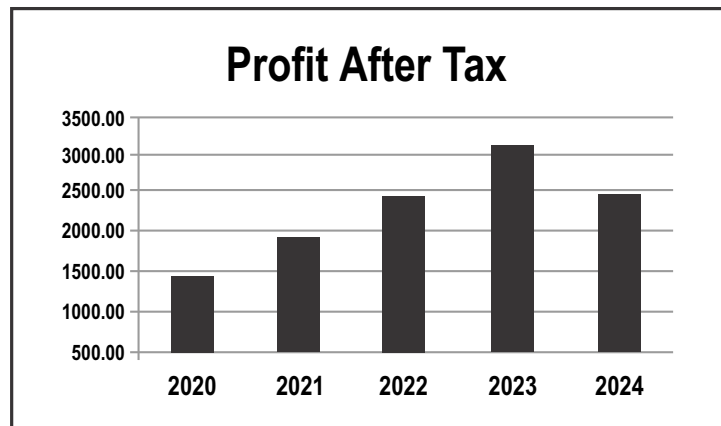
Financial Year	Income (INR in Lakh)
2020	14,035.59
2021	15,090.09
2022	19,800.38
2023	21,986.34
2024	21,442.27



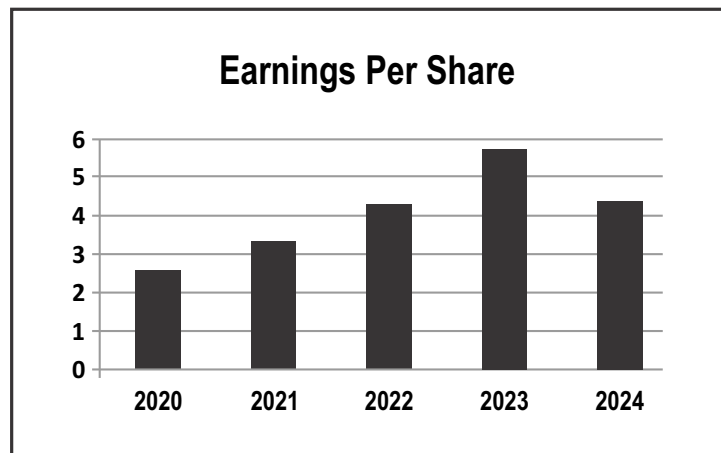
Financial Year	PBT (INR in Lakh)
2020	1,960.67
2021	2,487.17
2022	3,235.14
2023	4,250.78
2024	3,313.92



Financial Year	PAT (INR in Lakh)
2020	1,439.80
2021	1,880.00
2022	2,453.38
2023	3,260.18
2024	2,435.50



Financial Year	EPS (INR)
2020	2.57
2021	3.35
2022	4.38
2023	5.82
2024	4.32



H. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:

Development in Human Resources:

Since its inception, your Company has always viewed its employees as its great strength. The Company strives to develop the most superior workforce so that it can accomplish along with the individual employees, their work goals and services to its customers and stakeholders. Our fundamental belief in immense power of human potential and team work is epitomised in our 'WE' approach. To us, 'WE' represents a strong collective energy. A transformational force that stimulates enterprise accelerates our constant pursuit of excellence and empowers our people to realise their full potential. The Company also believes human resources as the supporting pillars for the organization's success. As on 31st March, 2024, the Company had 243 permanent employees.

Development and Up-gradation of Technology:

All the staff members working in manufacturing departments have been advised to take different projects:

1. To reduce rejection and wastage in raw materials and consumables;
2. To reduce setting time and to focus on production;
3. To maximise automation to increase productivity;
4. To optimize production activities to reduce electrical energy per unit of production;
5. To work on packaging to enhance preservation and safety;
6. To develop new items in shortest possible time to have early business; and
7. To increase yield and to take it up to optimum level to reduce raw material cost.

This is an ongoing process and projects are getting completed one by one and new projects are being undertaken. This has resulted in increase in both top as well as bottom line.

Global Approach:

The Company trusts its capabilities to capture every opportunity of business in the global arena. Your Company is globally positioned with business activities spanning 24 countries around the globe. Exporting about 30% of its production, it enjoys strong brand equity among leading OEM's all over the world.

Forward Looking Statements:

Certain statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied therein. Important factors that could make a difference include raw material availability and prices thereof, cyclical demand and pricing in the Company's principal markets, changes in Government regulations and tax regime, economic developments within India and the countries in which the Company conducts business and other incidental factors.

I. DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:**Key Financial Ratios:**

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key sector specific financial ratios. The Company has identified following ratios as key financial ratios.

Ratios	2023-24	2022-23	% change
Debtors Turnover	4.03	4.31	-6.50
Inventory Turnover	7.39	7.60	-2.76
Interest Coverage Ratio	11.14	15.60	-28.59
Current Ratio	1.97	2.27	-13.22
Debt Equity Ratio	0.23	0.11	109.09
Operating Profit Margin (%)	15.46	19.33	-20.02
Net Profit Margin (%)	11.36	14.83	-23.40

The Company taken term loan during this year to the tune of INR 22 Crore from Bajaj Finance Limited; this is why Interest Coverage Ratio and Debt Equity Ratio have been affected.

J. DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

Return on Net Worth in the financial year 2023-24 is 16.78% as compared to 24.45% in the immediately preceding financial year 2022-23. During the financial year under review, return on Net Worth decreased by 31.39% as compared to immediately preceding financial year mainly because of decrease in profits.

Report on Corporate Governance

[Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

1. CORPORATE GOVERNANCE

1.1 Company's philosophy on Corporate Governance

At Menon Bearings Limited, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of best and sound management practices and compliance with laws coupled with adherence to the highest standards of transparency and business ethics. The Corporate Governance, as an integral principle, is adhered by the Board of Directors and management of your Company ensuring fairness, accountability, transparency in all dealings and functioning of the management and the Board. The Company strives for an enduring relationship with the stakeholders and protection of their interests.

The Company places great emphasis on values such as empowerment, integrity and safety of its employees and communities surrounding our plants, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices, being followed since inception, have contributed to the Company's sustained growth.

This report contains the details of implementation of the Corporate Governance by the Company which is in line with the requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

1.2 Governance Structure

Menon Bearings governance structure follows the principles of freedom to the executive management within a given framework to ensure that the powers vested in the executive management are exercised with due care and responsibility so as to meet the expectation of all the stakeholders. In line with these principles, the Company has formed three tiers of Corporate Governance structure, viz.:

- (i) **Board of Directors:** The primary role of the Board is to protect the interest and enhance value for all the stakeholders. It ensures overall strategic supervision and control by setting up the goals and targets, policies, reporting mechanism and accountability and decision making process to be followed.
- (ii) **Committees of Directors:** The various Committees namely, Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility ("CSR") Committee are constituted to focus on financial reporting, audit and internal controls, compliance issues, appointment and remuneration of directors and senior management personnel, implementation and monitoring of CSR activities, the risk management framework and shareholders' related matters.
- (iii) **Executive Management:** The entire business including the support services are managed with specifically defined responsibilities and authorities at different levels.

2. BOARD OF DIRECTORS

2.1 Composition

The Company has very balanced and diverse Board of Directors, which comprises of experienced, competent and highly renowned persons from the fields of manufacturing, finance, taxation, economics, law, governance, etc. The Board of Directors along with its Committees provides leadership and guidance to the management and directs and supervises the performance of the Company, thereby enhancing stakeholders' value. The Board represents an optimal mix of professionalism, knowledge and experience and has been vested with requisite powers, authorities and duties. The Board plays an imperative role in the management, strategic directions and performance of the Company.

The directors take active part at the Board and Committee meetings by providing valuable guidance to the management on various aspects of business, policy direction, governance, compliances, etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Company.

The composition of the Board also complies with the provisions of the Companies Act, 2013 ("Act") and the Listing Regulations. As on 31st March, 2024, the total strength of the Board comprised of 6 directors having 3 Executive and 3 Non-Executive Independent Directors.

The directors are appointed or re-appointed with the approval of the shareholders and shall remain in office as per their terms of appointment.

2.2 Meetings, Agenda and Proceedings etc. of the Board of Directors:

Meetings:

The Board generally meets 4 (four) times during a financial year. Additional meetings are held as and when necessary. The directors are also given option of attending the board meetings through Video Conferencing, whenever they request for the same. During the financial year 2023-24, the Board of Directors duly met 6 (six) times viz. on 28th April, 2023, 15th July, 2023, 9th November, 2023, 5th January, 2024, 8th February, 2024 and 23rd March, 2024. The gap between two board meetings did not exceed one hundred and twenty days. The last Annual General Meeting ("AGM") of the Company was held on 27th July, 2023. The attendance record of the directors at the Board Meetings and at last AGM are as under:

Sr. No.	Name of Director	Category	Attendance		As on 31 st March, 2024			Disclosure of relationship between Directors inter se	No. of Shares held
			Board Meetings	Last AGM	No. of Directorships in other Companies	No. of Committee positions held in other Companies			
						Membership	Chairman		
1.	Mr. Nitin Menon	Promoter, Executive Chairman	6	Yes	2	-	-	Not Related	1,64,16,780
2.	Mr. R. D. Dixit	Managing Director	6	Yes	3	2	1	Not Related	Nil
3.	Mr. Arun Aradhya	Whole Time Director & CFO	6	Yes	2	-	-	Not Related	1,050
4.	Mr. M. L. Shinde	Independent, Non-Executive Director	6	Yes	1	-	-	Not Related	Nil
5.	Mrs. Kailash Nevagi	Independent, Non-Executive Director	6	Yes	-	-	-	Not Related	Nil

Sr. No.	Name of Director	Category	Attendance		As on 31 st March, 2024			Disclosure of relationship between Directors inter se	No. of Shares held
			Board Meetings	Last AGM	No. of Directorships in other Companies	No. of Committee positions held in other Companies			
						Membership	Chairman		
6.	Dr. Santosh Prabhu	Independent, Non-Executive Director	6	Yes	1	-	-	Not Related	Nil

Notes:

1. The directorships held by the directors and number of Committee positions held in other companies as mentioned above does not include private limited companies, foreign companies, high value debt listed entities and companies registered under Section 8 of the Act.
2. Membership / Chairmanship of Board Committees includes only Audit Committee and Stakeholders' Relationship Committee in all public limited companies as provided under Regulation 26(1)(b) of the Listing Regulations and membership includes positions as Chairperson of Committee.

2.3 Details of directorships including the category of directorships in listed entities as on 31st March, 2024:

Sr. No.	Name of Directors	Name	Category of Directorship
1.	Mr. Nitin Menon	Menon Bearings Limited	Executive Chairman
2.	Mr. R. D. Dixit	Menon Bearings Limited	Managing Director
		Menon Pistons Limited	Non-Executive Director
3.	Mr. Arun Aradhya	Menon Bearings Limited	Whole - Time Director and Chief Financial Officer
4.	Mr. M. L. Shinde	Menon Bearings Limited	Independent, Non-Executive Director
5.	Mrs. Kailash Nevagi	Menon Bearings Limited	Independent, Non-Executive Director
6.	Dr. Santosh Prabhu	Menon Bearings Limited	Independent, Non-Executive Director

2.4 Profile of directors:

All the directors are professionals with erudition and experience in their respective areas and fields and corporate management practices. The brief profile of the directors is given below:

1. **Mr. Nitin Menon** (DIN: 00692754), aged 56 years, is Promoter and Executive Chairman of the Company. He has been associated with the Company since inception. He is an industrialist and has rich and varied experience in automobile sector. He is also engaged in the field of hospitality, agriculture and allied services thereof.

2. **Mr. R. D. Dixit** (DIN: 00626827), aged 81 years, is Managing Director of the Company. He has been associated with the Company since 1992. He is a Bachelor of Engineering (Mech.). His excellence has served Menon Group for more than 56 years.
3. **Mr. Arun Aradhye** (DIN: 03052587), aged 67 years, is Whole Time Director and CFO of the Company since 31st January, 2019. He is M.Com, LLB (Special). He has an extensive background and vast experience of more than 43 years in various fields like banking, finance, insurance, transport, tourism, tele-communication, manufacturing, industry etc. He has been associated with the Company for more than 13 years.
4. **Mr. M. L. Shinde** (DIN: 07417527), aged 72 years, is Independent Director of the Company since 29th January, 2016. He is M.Com, LLM, FCA and FCS and has vast experience in the fields of finance, accounts, corporate laws, taxation, etc.
5. **Mrs. Kailash Nevagi** (DIN: 03011076), aged 65 years, is Independent Director of the Company since 16th April, 2018. She did her post- graduation in Commerce followed by MBA and graduation in Law. She is an active, ambitious and multi-faceted personality leading a team of lawyers as a Partner and Director at Abhay Nevagi and Associates. She has more than 32 years of rich experience in every domain of law, ranging from family matters to cybercrime.
6. **Dr. Santosh Prabhu** (DIN: 00506595), aged 65 years, is Independent Director of the Company since 24th October, 2018. He is a renowned Neurological and Spinal Surgeon, is director at Neurological Surgery at Western India Institute of Neurosciences (WIINS), Kolhapur. He is M.S., M.Ch. (Medical Professional). He has vast experience in medical field. He is a member of many international bodies like World Federation of Neurosurgeon etc.

2.5 Separate Meeting of Independent Directors:

As stipulated under the Code of Independent Directors under Schedule IV of the Act and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 8th February, 2024 without the presence of Non-Independent Directors and members of the management to consider the following:

- i. performance of Non-Independent Directors and the Board as a whole;
- ii. performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors; and
- iii. assessing the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors and the Board as a whole. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company management and the Board.

2.6 Familiarization Program for Independent Directors:

The Independent Directors have been familiarized with the Company, their roles and responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. During the financial year 2023-24, Independent Directors were taken through various aspects of the Company's business and operations. The details of familiarization programs imparted to the Independent Directors during

the financial year 2023-24 are placed on the website of the Company at-

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/66221c683539fd50ecdafc43/1713511530959/Familiarisation+Programmee.pdf>

2.7 Key Board Qualifications, Expertise and Attributes:

Menon Board comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensure that Company's Board is in compliance with the highest standards of corporate governance.

The table below summarizes the key qualification, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board:

Gender, Ethics, National, or Other Diversity	Representation of gender, ethics, geographic, cultural, or other perspective that expand the Board's understanding of the needs and viewpoints of our customers, partners, employees, governments, and other stakeholders worldwide.
Financial	Leadership in management of finance function of an enterprise, resulting in proficiency in complex financial management, capital allocation, and financial reporting process, or experience in actively supervising accountant, auditor or person performing financial functions.
Global Business	Experience in driving business success in markets around the world, with an understanding of diverse business environments, economic conditions, cultures, and regulatory frameworks, and board perspective on global market opportunities.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Strengths in developing talent, planning succession, and driving change and long-term growth.
Technology	Significant background in technology, resulting in knowledge of how to anticipate technological trends, generates disruptive innovation, and extends or create new business model.
Board Services and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting shareholder interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.

Details of the specific areas of focus or expertise of individual Board members are given in below table:

Directors	Financial	Diversity*	Global Business	Leadership	Technology	Board Service and Governance	Sales and Marketing
Mr. Nitin Menon (Executive Chairman)	√	√	√	√	√	√	√
Mr. R. D. Dixit (Managing Director)	√	√	√	√	√	√	√
Mr. Arun Aradhya (Whole Time Director & CFO)	√	√	√	√	√	√	√
Mr. M. L. Shinde (Independent Director)	√	√	√	√	√	√	√
Mrs. Kailash Nevagi (Independent Director)	√	√	√	√	√	√	√
Dr. Santosh Prabhu (Independent Director)	√	√	√	√	-	√	√

* Gender, Ethnicity, Nationality, and Other

2.8 Agenda:

All the meetings are conducted as per well designed and structured agenda complying with the provisions of Secretarial Standard-1 on "Meetings of the Board of Directors", issued by the Institute of Company Secretaries of India (ICSI). All the agenda items are backed by necessary supporting information and documents (except for the critical price sensitive information, which are circulated during the meetings) to enable the Board to take informed decisions. Agenda also include minutes of the previous Board and Committee meetings for the information of the Board. Agenda papers are circulated seven days before the Board Meetings. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed through circulation and later placed in the subsequent Board meeting.

Compliance Framework: The Company has a robust and effective framework for monitoring compliances with applicable laws within the organization and to provide updates to senior management and the Board on a periodic basis. The Audit Committee and the Board periodically review the status of the compliances with the applicable laws.

2.9 Confirmation by the Board:

The Board of Directors of the Company confirms that the Independent Directors of the Company fulfil the conditions specified in Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

Further, all the Independent Directors of the Company have affirmed compliance with Rule 6(3) of the Companies (Appointment and Qualifications of Directors) Rules, 2014, regarding enrolment in the data bank for Independent Directors.

2.10 Detailed reasons for the resignation of Independent Director:

During the financial year 2023-24, no Independent Director resigned from the Board of Directors of the Company.

2.11 Code of Conduct:

The Board of Directors has laid down a Code of Conduct for the Board of Directors (including independent directors) and senior management ("the Code") of the Company. The Code covers Company's commitment to honest and ethical personal conduct, fair competition, corporate social responsibility, sustainable environment, health and safety, transparency and compliance of laws and regulations etc. All the Board members and senior management personnel have confirmed compliance with the Code. A declaration by Mr. R. D. Dixit, Managing Director of the Company affirming the compliance of the same during the financial year 2023-24 by the members of the Board and Senior Management Personnel, as applicable to them, forms part of this Report.

2.12 Prevention of Insider Trading Code:

As per the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted Code of Conduct for Regulating, Monitoring and Reporting of trading by insiders and Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. All the directors, designated persons and third parties such as auditors, consultants, etc. who could have access to the unpublished price sensitive information of the Company are governed by this Code. The trading window was closed during the time of declaration of results and occurrence of any material events as per the applicable regulations. Mr. Arun Aradhya, Whole Time Director & CFO of the Company is the Compliance Officer under the Code and is responsible for setting forth procedures and implementation of the Code for trading in Company's securities.

3. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of the Act and Regulation 18 of the Listing Regulations, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee.

The Audit Committee of the Company reviews the financial statements to be submitted with the Board of Directors with respect to auditing and accounting matters, reviews reports of the Statutory, Internal and Cost Auditors. It also supervises the Company's internal control and financial reporting process.

3.1 Brief description of terms of reference:

The terms of reference of the Audit Committee broadly includes i) review of financial reporting processes; (ii) review of risk management, internal financial controls and governance processes; (iii) discussions on quarterly, half yearly and annual financial statements; (iv) interaction with Statutory, Internal and Cost Auditors; (v) recommendation for appointment, remuneration and terms of appointment of Auditors; and (vi) risk management framework concerning the critical operations of the Company.

The Audit Committee also reviews the following:

- Matters to be included in the Directors' Responsibility Statement;
- Changes, if any, in the accounting policies;

- Major accounting entries involving estimates and significant adjustments in financial statements;
- Compliance with listing and other legal requirements concerning financial statements;
- Disclosures in financial statements including related party transactions;
- Management's Discussions and Analysis of Company's operations;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Periodical review of Internal Audit Reports;
- Findings of any special investigations carried out by the Internal Auditors;
- Findings of Statutory Auditors to management on internal control weakness, if any;
- Major non routine transactions recorded in the financial statements involving exercise of judgment by the management;
- Recommend to the Board the appointment, re-appointment and, if required the replacement or removal of Statutory Auditors considering their independence and effectiveness and recommend the audit fees; and
- Review the functioning of the vigil mechanism.

In addition to the above, the role of the Audit Committee is as laid down under Regulation 18(3) read with Schedule II Part C of the Listing Regulations read with Section 177 of the Act.

3.2 Composition:

As on 31st March 2024, the Audit Committee comprised of Mr. M. L. Shinde, Mr. R. D. Dixit, Mrs. Kailash Nevagi and Dr. Santosh Prabhu as its members. Mr. M. L. Shinde is Chairman of the Committee. He was present at the 32nd AGM of the Company held on 27th July, 2023.

All the members of the Audit Committee are financially literate, possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc. and have related financial management expertise by virtue of their comparable experience and background. The partners / authorised representatives of Statutory Auditors and Internal Auditors are invited to the meetings of the Audit Committee, as and when required.

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee.

3.3 Meetings and attendance:

During the financial year 2023-24, the Audit Committee duly met 5 (five) times viz. on 28th April, 2023, 15th July, 2023, 9th November, 2023, 8th February, 2024 and 23rd March, 2024. The gap between two Committee meetings did not exceed one hundred and twenty days. The attendance at the Committee meetings was as follows:

Sr. No.	Name of the Members	Category	Status	No. of meetings	
				Held	Attended
1.	Mr. M. L. Shinde	Independent, Non-Executive Director	Chairman	5	5
2.	Mr. R. D. Dixit	Managing Director	Member	5	5
3.	Mrs. Kailash Nevagi	Independent, Non-Executive Director	Member	5	5
4.	Dr. Santosh Prabhu	Independent, Non-Executive Director	Member	5	5

4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends the appointment/ re-appointment of executive directors and senior management personnel of the Company and remuneration payable to them.

4.1 Brief description of terms of reference:

The Committee is empowered to–

- Formulate criteria for determining qualifications, positive attributes and independence of directors and evaluating the performance of Independent Directors and the Board of Directors;
- Evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required for every appointment of an independent director and the person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description;
- Identify and access potential individuals with respect to their expertise, skills, attributes, personal and professional standing for appointment and re-appointment as directors / Independent Directors on the Board and as Key Managerial Personnel;
- Formulate policy relating to remuneration of directors and the senior management personnel of the Company. The Remuneration Policy is available on the website of the Company at:
<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c9c4a3360c3a90bf041e/1459145236512/Policy+on+criteria+for+appointment+%26+remuneration+of+directors%2C+KMPs+%26+Senior+Management+personnel.pdf>
- Determine terms and conditions for appointment of Independent Directors. The same is also available on the website of the Company at:
<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/6242e47782e2fa5b0d8dded/1648551033154/Terms+of+Appointment+of+Independent+Directors.pdf>

In addition to the above, the role of the Nomination and Remuneration Committee is as laid down under Regulation 19(4) read with Schedule II Part D Para A of the Listing Regulations read with Section 178 of the Act.

4.2 Composition:

As on 31st March, 2024, the Committee comprised of Mr. M. L. Shinde, Mrs. Kailash Nevagi and Dr. Santosh Prabhu as its members. Mr. M. L. Shinde is Chairman of the Committee. He was present at the 32nd AGM of the Company held on 27th July, 2023.

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee.

4.3 Meetings and attendance:

During the financial year 2023-24, the Nomination and Remuneration Committee duly met 1 (one) time viz. on 28th April, 2023. The attendance at the Committee meeting was as follows:

Sr. No.	Name of the Members	Category	Status	No. of Meetings	
				Held	Attended
1.	Mr. M. L. Shinde	Independent, Non-Executive Director	Chairman	1	1
2.	Mrs. Kailash Nevagi	Independent, Non-Executive Director	Member	1	1
3.	Dr. Santosh Prabhu	Independent, Non-Executive Director	Member	1	1

4.4 Performance evaluation criteria of Independent Directors:

Pursuant to the provisions of Section 178 of the Act and Regulation 17(10) of the Listing Regulations, the Board of Directors of the Company has evaluated the performance of each Independent Director and fulfillment of the independence criteria as specified in the Listing Regulations and their independence from the management.

The evaluation framework for assessing the performance of Independent Directors comprises of the following key areas:

- Attendance at Board and Committee meetings;
- Quality of contribution to Board deliberations;
- Contribution to the development of strategies and Risk Assessment and Management; and
- Overall interaction with other members of the Board.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of the Act and Regulation 20 of the Listing Regulations, 2015, the Board of Directors has duly constituted the Stakeholders' Relationship Committee. The Committee is empowered to oversee the redressal of investors' complaints including complaints related to share transfer / transmission / demat / remat of shares, non-receipt of annual reports, dividend payments, issue of duplicate share certificates, and other miscellaneous complaints. This Committee is responsible for the satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.

In addition to the above, the role of the Stakeholders' Relationship Committee is as laid down under Regulation 20(4) read with Schedule II Part D Para B of the Listing Regulations read with Section 178 of the Act.

5.1 Composition:

As on 31st March, 2024, the Committee comprised of Dr. Santosh Prabhu, Mr. Nitin Menon and Mr. R. D. Dixit as its members. Dr. Santosh Prabhu is Chairman of the Committee. He was present at the 32nd AGM of the Company held on 27th July, 2023. Mr. Manmay Kalyankar is Company Secretary and Compliance Officer of the Company.

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee.

5.2 Meetings and attendance:

During the financial year under review, the Stakeholders' Relationship Committee duly met 4 (four) times viz. on 28th April, 2023, 15th July, 2023, 9th November, 2023 and 8th February, 2024. The attendance at the Committee meetings was as follows:

Sr. No.	Name of the Members	Category	Status	No. of Meetings	
				Held	Attended
1.	Dr. Santosh Prabhu	Independent, Non-Executive Director	Chairman	4	4
2.	Mr. Nitin Menon	Executive Chairman	Member	4	4
3.	Mr. R. D. Dixit	Managing Director	Member	4	4

5.3 Stakeholders' Relationship Committee other details:

Name and contact details of Compliance Officer	Mr. Manmay Kalyankar Company Secretary and Compliance Officer Tel: 0231-2672279
E-mail id for correspondence	admin@menonbearings.in
Registered Office	Menon Bearings Limited G-1, MIDC, Gokul Shirgaon, Kolhapur - 416234, Maharashtra, India.

There was no change in Senior Managerial Personnel since the close of previous financial year.

Status of investors' complaints handled by the Company and its Registrar and Share Transfer Agent during the financial year 2023-24 are as under:

Opening balance at the beginning of the year	Nil
Received during the year	Nil
Disposed during the year	Nil
Closing balance at the end of the year	Nil

6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to the provisions of Section 135 of the Act, the Board of Directors has duly constituted the Corporate Social Responsibility ("CSR") Committee.

6.1 Brief description of terms of reference:

- To frame the CSR Policy and CSR Annual Action Plan and its review from time-to-time;
- To ensure effective implementation and monitoring of the CSR activities as per the approved policy, plans and budget; and
- To ensure compliance with the laws, rules and regulations governing the CSR and to periodically report to the Board of Directors;

6.2 Composition:

As on 31st March, 2024, the Committee comprised of Mr. Nitin Menon, Mr. R. D. Dixit, Mr. M. L. Shinde, Mr. Arun Aradhya and Dr. Santosh Prabhu as its members. Mr. Nitin Menon is the Chairman of the Committee.

The Company Secretary and Compliance Officer of the Company acts as the Secretary to the Committee.

6.3 Meetings and attendance:

During the financial year under review, the Committee duly met 2 (two) times viz. on 28th April, 2023 and 8th February, 2024. The attendance at the Committee meetings was as follows:

Sr. No.	Name of the Member	Category	Status	No. of Meetings	
				Held	Attended
1.	Mr. Nitin Menon	Executive Chairman	Chairman	2	2
2.	Mr. R. D. Dixit	Managing Director	Member	2	2
3.	Mr. M. L. Shinde	Independent, Non-Executive Director	Member	2	2
4.	Mr. Arun Aradhya	Whole Time Director & CFO	Member	2	2
5.	Dr. Santosh Prabhu	Independent, Non-Executive Director	Member	2	2

7. RISK MANAGEMENT COMMITTEE:

During the financial year 2023-24, the Company was not required to constitute Risk Management Committee under Regulation 21 of the Listing Regulations.

8. REMUNERATION OF DIRECTORS:

8.1 The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year 2023-24.

8.2 Non-Executive Directors did not draw any remuneration from the Company. Sitting Fees to Non-Executive and Independent Directors are being paid at the rate of Rs. 5,000/- for each meeting of the Board attended by them.

8.3 Details of remuneration/sitting fees paid during the financial year 2023-24 are as follows:

Name of the Directors	Salary	Contribution to Provident Fund	Other Perquisites	Sitting Fees	Total
Mr. Nitin Menon	127.92	7.96	-	-	135.88
Mr. R. D. Dixit	48.99	4.27	-	-	53.26
Mr. Arun Aradhya	69.87	3.61	-	-	73.48
Mr. M. L. Shinde	-	-	-	0.30	0.30
Mrs. Kailash Nevagi	-	-	-	0.30	0.30
Dr. Santosh Prabhu	-	-	-	0.30	0.30

Notes:

- i. The above details of remuneration or fees paid include all elements of remuneration package of individual director summarized under major groups.
- ii. Apart from the above remuneration or fees paid, there are no other fixed components or performance linked incentives based on the performance criteria.
- iii. There are no separate service contracts with any of the directors. The tenure of office of the Managing Director and Whole Time / Executive Directors is for five years from their respective dates of appointment and can be terminated by either party by giving three months' notice in writing. There is no separate provision for payment of severance fees.
- iv. No stock options are offered to any of the directors of the Company.

9. VIGIL MECHANISM / WHISTLE BLOWER POLICY

With the rapid expansion of business, various risks associated with the business have also increased considerably. Some such risks identified are risk of fraud, misconduct and unethical behaviour. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism/Whistle Blower Policy, by which the Company provides a platform to all the directors and employees to report any suspected or confirmed incident of fraud, misconduct, unethical behaviour, etc. through any of the following reporting protocols:

- E-mail : admin@menonbearings.in
- Phone No. : 0231-2672 279/533/487
- Fax No. : 0231-2672 278
- Written Communication to: Chairman, Audit Committee, Menon Bearing Limited, G-1, MIDC, Gokul Shirgaon, Kolhapur – 416234, Maharashtra.

The mechanism also provides for adequate safeguards against victimization of the person who avails the mechanism and direct access to the Chairman of the Audit Committee is also available in exceptional cases. Vigil Mechanism/Whistle Blower Policy is also available on the website of the Company at:

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/5d008ce9be4f020001580c21/1560317231963/Whistle+Blower+Policy.pdf>

9.1 OBJECTIVES:

- To protect the brand reputation and assets of the Company from loss or damage, resulting from suspected or confirmed incidents of fraud / misconduct;
- To provide guidance to the directors and employees on reporting any suspicious activity; and handling critical information and evidence; and
- To provide healthy and fraud-free work culture.

9.2 WORKING:

The Audit Committee is responsible for reviewing and working of Vigil Mechanism which includes following matters:

- Implementation of the policy and spreading awareness amongst employees;
- Review of reported cases of suspected fraud, misconduct, unethical behaviour;
- Order investigation of any case either through internal audit department or through external investigating agencies or experts;
- Recommend to the management for taking appropriate actions such as disciplinary action, termination of service, changes in policies and procedure and review of internal control systems; and
- Annual review of the policy.

10. INTERNAL COMMITTEE

In accordance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has framed a policy for prevention of sexual harassment at workplace and adopted the same. The objective of the policy is to provide its women employees, a workplace free from harassment / discrimination and every employee is treated with dignity and respect.

Pursuant to the provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company, has constituted Internal Committee. No complaint was received during the financial year 2023-24 and there was no pending complaint at the beginning or end of the financial year.

11. GENERAL BODY MEETINGS

11.1 Annual General Meetings:

The details of location, time and venue of last 3 Annual General Meetings held are as under:

Financial Year	Date	Location	Time
2022-23	27 th July, 2023	Through Video Conferencing	11:00 A.M.
2021-22	22 nd September, 2022	Through Video Conferencing	11:00 A.M.
2020-21	30 th July, 2021	Through Video Conferencing	11:00 A.M.

11.2 Details of Special Resolutions passed in the previous three Annual General Meetings:

Date of AGM	Description of Resolution
27 th July, 2023	1) Re-appointment of Mr. Arun Aradhya as whole Time Director of the Company; and 2) Re- appointment of Dr. Santosh Prabhu as Independent Director of the Company
22 nd September, 2022	1) Re-appointment of Mr. Nitin Menon as Executive Chairman of the Company; 2) Re-appointment of Mr. R. D. Dixit as Managing Director of the Company; 3) Re-appointment of Mrs. Kailash Nevagi as an Independent Non-Executive Director of the Company; and 4) Approval for remuneration payable to Mr. Arun Aradhya, Whole Time Director and Chief Financial Officer of the Company;

Date of AGM	Description of Resolution
30 th July, 2021	1) Appointment of Mr. M.L. Shinde as an Independent Non-Executive Director of the Company; 2) Approval of payment of remuneration payable to Mr. Nitin Menon, Executive Chairman and Whole time Director of the Company; and 3) Approval for remuneration payable to Mr. R.D. Dixit, Managing Director of the Company.

11.3 Postal Ballot:

During the financial year 2023-24, the Company did not pass any special resolution through postal ballot. None of the business proposed to be transacted at the ensuing 33rd AGM of the Company scheduled to be held on 6th September, 2024 requires passing of a Special Resolution through Postal Ballot.

12. MEANS OF COMMUNICATION

The Company published its quarterly results as per the details mentioned below:

News Papers	Date of Board Meetings	Date of Publication
Business Standard (English - All India Editions) Pudhari (Marathi)	28 th April, 2023	29 th April, 2023
Business Standard (English - All India Editions) Pudhari (Marathi)	15 th July, 2023	16 st July, 2023 (Marathi) 17 st July, 2023 (English)
Business Standard (English - All India Edition) Pudhari (Marathi)	9 th November, 2023	10 th November, 2023
Business Standard (English - All India Editions) Pudhari (Marathi)	8 th February, 2024	9 th February, 2024

Website: The Company's website viz. www.menonbearings.in contains a separate dedicated section 'Investors' where shareholders' information is available. The Company's Annual Reports and Quarterly Results are also available in a user-friendly and downloadable form.

News Releases, Presentations, among others: All corporate announcements made to the Stock Exchanges during the financial year 2023-24 are made available on the website of the Company.

During the financial year 2023-24, the Company made presentations on various occasions to institutional investors or analysts with respect to financial and operational performance, quarterly results, etc. Such presentations are also made available on the Company's website at. <https://menonbearings.in/investor-relations/investor-presentation-webcast-telecast>

13. GENERAL SHAREHOLDERS' INFORMATION

13.1 Annual General Meeting:

Day and Date : Friday, 6th September 2024
 Time : 11:00 A.M.
 Venue : Through Video Conferencing / Other Audio Visual Means

13.2 Financial Year:

The Company follows the period of 1st April to 31st March, as the financial year.

13.3 Dividend payment date: Not applicable**13.4 Book Closure:**

The Register of Members and the Share Transfer Books of the Company shall remain closed from Saturday, 31st August, 2024 to Friday, 6th September, 2024 (both days inclusive).

13.5 Cut-off date for remote e-voting:

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. Saturday, 31st August, 2024. Remote e-voting shall remain open from Tuesday, 3rd September, 2024 (9:00 A.M.) till Thursday, 5th September, 2024 (5:00 P.M.).

13.6 Listing on Stock Exchanges:

a. The Equity Shares of the Company are listed at the following Stock Exchanges:

Name of the Stock Exchanges	Scrip Code / Symbol
BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Fort , Mumbai - 400 001.	Scrip Code: 523828
National Stock Exchange of India Ltd. Exchange Plaza, 5 th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	Symbol: MENONBE Series: EQ

b. ISIN for the Company's equity shares having face value of Re. 1/-: **INE071D01033**

c. Corporate Identity Number (CIN) : **L29130PN1991PLC062352**

d. The Company has paid listing fees for the financial year 2024-25 to BSE Ltd. and National Stock Exchange of India Ltd., where Company's shares are listed.

13.7 Stock Market Price Data and performance in comparison to BSE Sensex / NSE NIFTY 50:

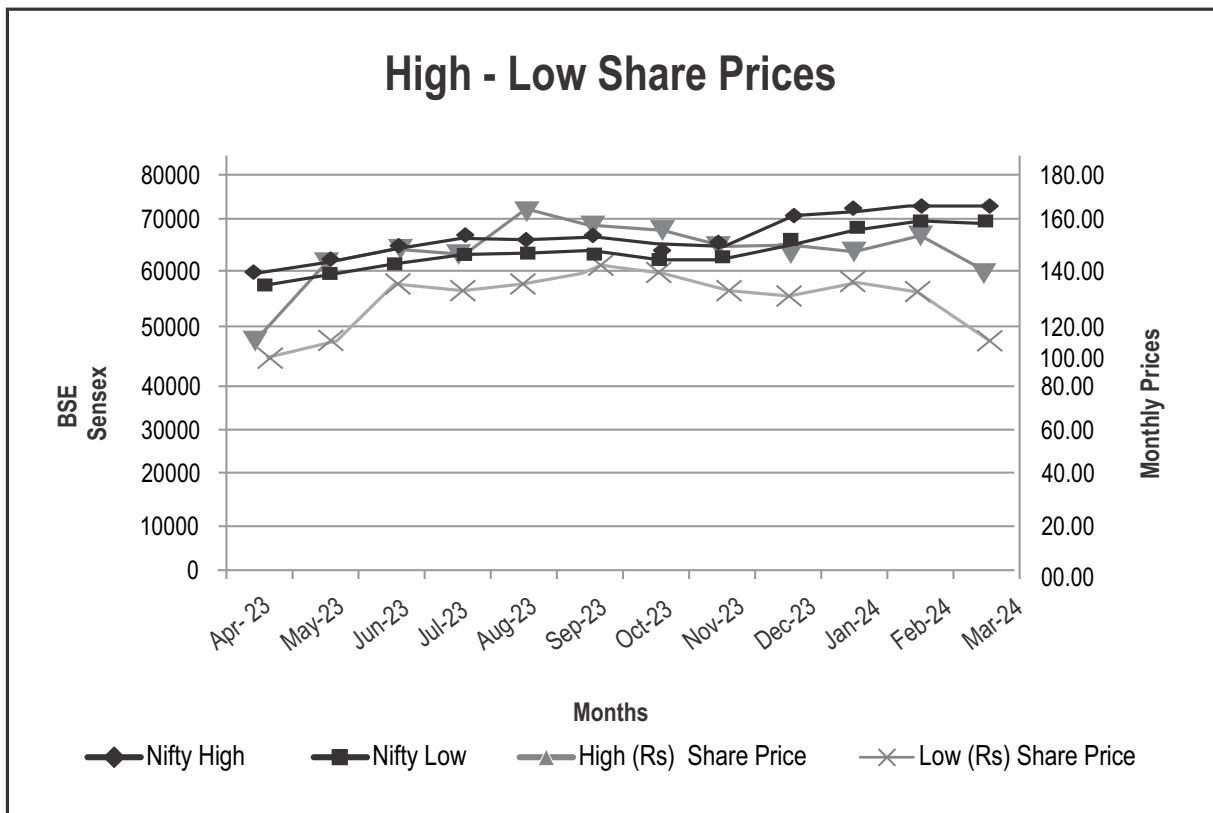
The monthly high / low quotations of shares traded at BSE Ltd. and National Stock Exchange of India Ltd. during each month in last financial year and performance in comparison to BSE Sensex and NSE Nifty 50 are as follows:

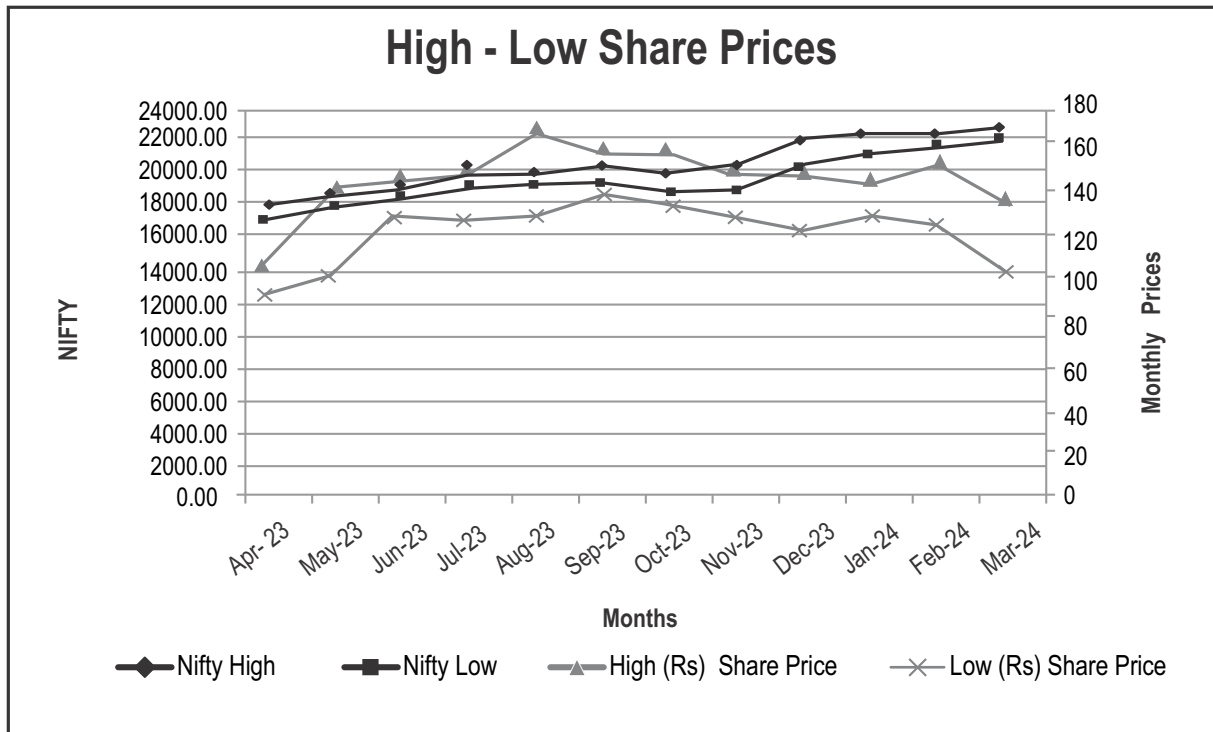
Month-Year	BSE SENSEX		Share Price of the Company on BSE		NSE NIFTY 50		Share Price of the Company on NSE	
	High (Points)*	Low (Points)*	High (Rs.)*	Low (Rs.)*	High (Points)**	Low (Points)**	High (Rs.)**	Low (Rs.)**
Apr-23	61209.46	58793.08	110.00	98.00	18089.15	17312.75	110.00	98.00
May-23	63036.12	61002.17	142.00	105.35	18662.45	18042.40	142.00	105.35
Jun-23	64768.58	62359.14	148.00	131.15	19201.70	18464.55	148.00	131.15
Jul-23	67619.17	64836.16	147.95	129.05	19991.85	19234.40	147.95	129.05
Aug-23	66658.12	64723.63	166.00	130.45	19795.60	19223.65	166.00	130.45
Sep-23	67927.23	64818.37	158.95	140.80	20222.45	19255.70	158.95	140.80

Month-Year	BSE SENSEX		Share Price of the Company on BSE		NSE NIFTY 50		Share Price of the Company on NSE	
	High (Points)*	Low (Points)*	High (Rs.)*	Low (Rs.)*	High (Points)**	Low (Points)**	High (Rs.)**	Low (Rs.)**
Oct-23	66592.16	63092.98	158.55	136.00	19849.75	18837.85	158.55	136.00
Nov-23	67069.89	63550.46	149.80	129.30	20158.70	18973.70	149.80	129.30
Dec-23	72484.34	67149.07	148.45	125.00	21801.45	20183.70	148.45	125.00
Jan-24	73427.59	70001.60	147.10	131.95	22124.15	21137.20	147.10	131.95
Feb-24	73413.93	70809.84	153.40	128.00	22297.50	21530.20	153.40	128.00
Mar-24	74245.17	71674.42	137.30	108.20	22526.60	21710.20	137.30	108.20

Source:
 *www.bseindia.com
 **www.nseindia.com

13.8 Performance in comparison to broad based indices:





13.9 Trading of Securities: The securities of the Company were not suspended from trading during the financial year 2023-24.

13.10 Registrar and Share Transfer Agents:

LINKINTIME INDIA PRIVATE LIMITED

C-101, 1st Floor, 247 Park, L. B. S. Marg,
Vikhroli (West), Mumbai – 400 083, Maharashtra, India

Phone : (022) 49186000, 49186270;

Fax : (022) 49186060

Email : rnt.helpdesk@linkintime.co.in

13.11 Share Transfer System:

In terms of Regulation 40(1) of the Listing Regulations, as amended from time to time, securities of the Company can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of transmission or transposition of securities. Further, the SEBI had fixed 31st March, 2021 as the cut-off date for re-lodgment of transfer deeds and the shares that are re-lodged for transfer shall be issued only in Demat mode. Members holding shares in physical form are requested to consider converting their holdings into dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022 as an on-going measure to enhance ease of dealing in securities markets by investors, mandated the issue of the securities in dematerialized form only while processing various service request (s) such as issue of duplicate share certificate(s), claim from Unclaimed Suspense Account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities

certificates/folios, transmission, transposition. Upon receipt of any service request(s) from the securities holder / claimant, the Registrar and Share Transfer Agent of the Company ("RTA") viz. Link Intime India Private Limited shall verify and process the said request(s) and thereafter issue a 'Letter of Confirmation' in lieu of physical securities certificate(s) to the securities holder / claimant, within 30 days of the receipt of such request, if documents are found in order. In case of any queries or issue(s) regarding process of the service request(s), securities holder / claimant can contact RTA (Contact Number: (022)-49186000/270) or can write an e-mail at rnt.helpdesk@linkintime.co.in.

13.12 Distribution of Shareholding:

The shareholding distribution of the equity shares as on 31st March, 2024 is given below:

Shareholding by Nominal Value	No. of Shareholders	% of Total	No. of Shares	% of Total
1 - 500	23775	82.5922	2230956	3.9810
501-1000	1466	5.0928	1154847	2.0608
1001 - 2000	2023	7.0277	2703976	4.8251
2001 - 3000	640	2.2233	1571084	2.8035
3001 - 4000	246	0.8546	876037	1.5632
4001 - 5000	152	0.528	716647	1.2788
5001 - 10000	319	1.1082	2204838	3.9344
10001 & Above	165	0.5732	44581615	79.5532
Total	28786	100.00	5,60,40,000	100.00

13.13 Dematerialization of Shares and Liquidity:

The process of conversion of shares from physical form into electronic form is known as dematerialization. For dematerializing the shares, the shareholders should open a Demat account with a Depository Participant ("DP"). The shareholder is required to fill in a Demat Request Form and submit the same along with the original share certificates to his / her DP. The DP will allocate a Demat Request Number and shall forward the request physically and electronically through NSDL/CDSL to Registrar and Share Transfer Agent. On receipt of the demat request both physically and electronically and after verification, the shares are dematerialised and an electronic credit of the shares is given in the account of the shareholder. As on 31st March, 2024, about 96.56% of the Company's Equity Shares were held in dematerialized form.

13.14 Convertible Instruments:

The Company has not issued any Global Depository Receipts (GDRs)/American Depository Receipts (ADRs)/warrants or any other convertible instrument, which are likely to have impact on the Company's Equity.

13.15 Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company is exposed to the risk of price fluctuations while exporting its products and importing materials, which is proactively managed. The Company has a robust framework in place to protect its interests from risks arising out of market volatility. Based on continuous monitoring and market intelligence, the sales and procurement teams take appropriate strategy to deal with the market volatility.

The Company operates in various geographies and is exposed to foreign exchange risk on its various currency exposures. Volatility in currency exchange movements can have an impact on the Company's

operations. The Company has established foreign currency hedging policies and practices to manage these risks.

13.16 Plant Locations:

G-1, Gokul Shirgaon, MIDC, Kolhapur - 416234, Maharashtra.	C-1 Five Star MIDC, Kagal, Kolhapur – 416236, Maharashtra.	B-2, Gokul Shirgaon, MIDC, Kolhapur- 416234, Maharashtra.	A-4/2, Gokul Shirgaon, MIDC, Kolhapur- 416234, Maharashtra.
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13.17 Registered Office and Address for Correspondence:

For any assistance regarding dematerialization of shares, share transfer, transmission, change of address, non-receipt of dividend or any other query relating to shares, the investor can write to Registrar and Share Transfer Agent or please write to:

The Company Secretary & Compliance Officer

Menon Bearings Limited

G-1, MIDC, Gokul Shirgaon,
Kolhapur-416234, Maharashtra
Telephone: 0231-2672279 / 533 / 487
Fax: 0231-2672278
E-mail: admin@menonbearings.in

13.18 Credit Rating:

The Company has not mobilized any funds, neither in India or abroad, through issue of any debt instruments or any fixed deposit programme or any scheme during the financial year 2023-24, hence was not required to take any Credit rating for such instruments or deposits.

13.19 Dividend History :

Financial Year	Dividend amount per share	Percentage (%)
2016-17 (Interim Dividend)	Re. 1.00 per share (Face value Re. 1/-)	100
2017-18 (1 st Interim Dividend)	Re. 0.75 per share (Face value Re. 1/-)	75
2017-18 (2 nd Interim Dividend)	Re. 0.50 per share (Face value Re. 1/-)	50
2017-18 (Final Dividend)	Re. 0.25 per share (Face value Re. 1/-)	25
2018-19 (Interim Dividend)	Rs. 1.50 per share (Face value Re. 1/-)	150
2019-20 (1 st Interim Dividend)	Rs. 1.25 per share (Face value Re. 1/-)	125
2019-20 (2 nd Interim Dividend)	Rs. 1.25 per share (Face value Re. 1/-)	125
2020-21 (Interim Dividend)	Rs. 1.50 per share (Face value Re. 1/-)	150
2021-22 (Interim Dividend)	Rs. 2.00 per share (Face value Re. 1/-)	200
2022-23 (Interim Dividend)	Rs. 2.00 per share (Face value Re. 1/-)	200
2023-24 (Interim Dividend)	Rs. 2.25 per share (Face value Re. 1/-)	225

13.20 The following table gives information relating to the due dates for transfer of unpaid / unclaimed dividend amounts to the IEPF:

Financial Year ended	Dividend Rate per share	Date of Declaration	Due Dates for transfer to IEPF
2016-17	Re. 1.00	9 th February, 2017	16 th March, 2024
2017-18	Re. 0.75	20 th July, 2017	25 th August, 2024
2017-18	Re. 0.50	9 th November, 2017	16 th December, 2024
2017-18	Re. 0.25	21 st July, 2018	27 th August, 2025
2018-19	Rs. 1.50	24 th October, 2018	30 th November, 2025
2019-20	Rs. 1.25	17 th July, 2019	23 rd August, 2026
2019-20	Rs. 1.25	13 th March, 2020	19 th April, 2027
2020-21	Rs. 1.50	27 th January, 2021	5 th March, 2028
2021-22	Rs. 2.00	20 th October, 2021	26 th November, 2028
2022-23	Rs. 2.00	20 th October, 2022	26 th August, 2029
2023-24	Rs. 2.25	15 th July, 2023	21 st August, 2030

14. DISCLOSURES

14.1 Related Party Transactions:

All transactions entered into with the related parties, as defined under the Act and Regulation 23 of the Listing Regulations, during the financial year 2023-24 were in the ordinary course of business on arm's length basis. There were no materially significant related party transactions, pecuniary transactions or relationship between the Company and its directors during the financial year 2023-24 that may have potential conflict with the interest of the Company at large. Suitable disclosures as required by Indian Accounting Standards (Ind-AS 24) have been made in Notes on Accounts for the financial year ended 31st March, 2024 forming part of the Annual Report. The Board has approved a Related Party Transaction Policy which can be accessed at the Company's website link at:

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/6242e43417456f38e4a7f9b8/1648550976746/Related+Party+Transactions+Policy.pdf>

14.2 Compliance by the Company:

The Company has complied with all the requirements of the Listing Regulations as well as the regulations and guidelines of the SEBI. There were no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority for non-compliance of any matter related to the capital markets during the last three years.

14.3 Whistle Blower Policy / Vigil Mechanism and affirmation that no personnel have been denied access to the Audit Committee:

The Company has established a mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of code of conduct or ethics policy. The mechanism also provides for adequate safeguards against victimization of persons who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in the exceptional cases. We affirm that during the financial year 2023-24, no person was denied access to the Audit Committee.

14.4 Compliance with mandatory / discretionary requirements under Regulation 27 read with Part E of Schedule II of the Listing Regulations:

The Company has complied with all mandatory requirements under Regulation 27 and Schedule V of the Listing Regulations. The status of compliance with non-mandatory recommendations under Regulation 27 read with Part E of Schedule II of the Listing Regulations is provided below:

- Modified opinion in Audit Report: The Company has moved to unmodified audit opinion regime.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

14.5 Risk Management:

The Company has laid down procedure to inform Board members about the risk assessment and minimization procedures. The Company has framed the risk assessment and minimization procedure, which is periodically reviewed by the Board.

14.6 Policy for determining 'material' subsidiaries:

During the financial year 2023-24, the Company incorporated two new wholly owned subsidiary companies namely Menon Alkop Limited and Menon Bearings New Ventures Limited on 23rd January, 2024 and 7th February, 2024 respectively. As on 31st March, 2024, the Company had total three wholly owned subsidiary companies, However, none of these subsidiary companies fall under the norms prescribed in Regulation 16(1)(c) of the Listing Regulations for material subsidiary. As per the requirements of the Listing Regulations, a policy to determine a material subsidiary has been framed and the same can be accessed on the Company's website at the link:

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/6242e43417456f38e4a7f9b8/1648550976746/Related+Party+Transactions+Policy.pdf>

14.7 Details of utilization of funds raised through preferential allotment or qualified institutions placement:

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32(7A) of the Listing Regulations.

14.8 Certificate from Practising Company Secretary:

A certificate received from M/s. M Baldeva Associates, Company Secretaries, Thane is attached to this Report stating that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority.

14.9 Recommendations by the committees:

The Board has accepted all recommendations made by its committees during the financial year 2023-24.

14.10 Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditors and all entities in the network firm / network entity of which the Statutory Auditor is a part, given below:

Nature of Payments	Amount (Rs. in Lakh)
Statutory Audit	4.95
Tax Audit	0.30
Other Services including reimbursement of expenses	0.51
Total	5.76

14.11 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of complaints
a.	Complaints filed during the financial year	Nil
b.	Complaints disposed of during the financial year	Nil
c.	Complaints pending as on end of the financial year	Nil

14.12 Disclosure by the Company and its subsidiaries of 'Loans and advances in the nature of loans to firms / companies in which directors are interested by name and amount:

Details are provided in Notes to Accounts to the Financial Statements for the financial year ended 31st March, 2024

14.13 Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

During the financial year 2023-24, the Company did not have any material subsidiary.

14.14 Compliance of the requirement of Corporate Governance Report:

During the financial year 2023-24, the Company has complied with the requirements of Corporate Governance Report of sub-paras (2) to (10) of Point C of Schedule V of the Listing Regulations.

14.15 Disclosure of the compliance with Corporate Governance:

The Company has complied with the Regulations 17-20, 22 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 of the Listing Regulations during the financial year 2023-24. Regulation 21 of the Listing Regulations was not applicable to the Company during the financial year 2023-24.

14.16 Compliance Certificate for Code of Conduct:

A declaration by Managing Director of the Company affirming compliance by the Board of Directors and Senior Management Personnel to the Code of Conduct forms part of this Report as per Schedule V of the Listing Regulations.

14.17 Auditors' certificate on Corporate Governance:

The Company has obtained a certificate from the Statutory Auditor of the Company regarding compliance of conditions of Corporate Governance as stipulated in Schedule V of the Listing Regulations and forms part of this Report.

14.18 Disclosure of Accounting Treatment:

In the preparation of financial statements, the Company has followed the Indian Accounting Standards (Ind-AS) as prescribed by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rule, 2015 and provisions of the Act to the extent notified and applicable.

14.19 Disclosure with respect to Demat Suspense Account / Unclaimed Suspense Account:

Particulars	Number of Shareholders	Number of Equity Shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 1 st April, 2023	148	1,71,600
Transferred during the financial year:		
Shareholders who approached the Company for transfer of shares from suspense account during the year	0	0
Shareholders to whom shares were transferred from the suspense account during the year	0	0
Shareholders whose shares were transferred to the demat account of the IEPF Authority as per Section 124 of the Act	12	10,200
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2024	136	1,61,400

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

14.20 Disclosure of certain types of agreements binding listed entities:

Information required under Clause 5A of paragraph A of Part A of Schedule III of the Listing Regulations: No agreements are entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the Company or of its subsidiary companies, among themselves or with the Company or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the Company or impose any restriction or create any liability upon the Company.

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

As per Regulation 17 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, R. D. Dixit, Managing Director of the Company do hereby declare that the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company during the financial year ended 31st March, 2024.

For Menon Bearings Limited

Place: Kolhapur
Date: 18th July, 2024

R. D. Dixit
Managing Director
DIN: 00626827

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members of
Menon Bearings Limited,
 G-1, MIDC, Gokul Shirgaon,
 Kolhapur – 416234, Maharashtra, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the directors of Menon Bearings Limited (CIN:L29130PN1991PLC062352) and having Registered Office at G-1, MIDC, GokulShirgaon, Kolhapur – 416234, Maharashtra, India (hereinafter referred to as the 'Company'), produced before me by the Company for the purpose of issuing this certificate, in accordance with the provisions of Regulation 34(3) read with Clause 10(i) of Part C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the directors on the Board of the Company as stated below during the financial year ended 31st March, 2024 have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority:

Sr. No.	Name of Directors	DIN	Date of initial appointment in Company (as appearing on MCA portal)
1.	Mr. Nitin R. Menon	00692754	1 st April, 1995
2.	Mr. Ramesh D. Dixit	00626827	1 st April, 1992
3.	Dr. Santosh K. Prabhu	00506595	24 th October, 2018
4.	Mrs. Kailash A. Nevagi	03011076	16 th April, 2018
5.	Mr. Arun R. Aradhya	03052587	31 st January, 2019
6.	Mr. Mukund L. Shinde	07417527	29 th January, 2016

Ensuring the eligibility for appointment / continuity of every director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M Baldeva Associates
Company Secretaries

CS Manish Baldeva
Proprietor
 M. No. FCS 6180; C.P. No. 11062
 Peer Review No.: 1436/2021
 UDIN: F006180F000772211

Place : Thane
 Date : 18th July, 2024

Auditor's Certificate on Corporate Governance

**To
The Members
Menon Bearings Limited**

We have examined the compliance of conditions of Corporate Governance by Menon Bearings Limited (the Company) for the year ended on 31st March, 2024, as stipulated under Regulation 15 (2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For M/S A R N A & Associates.
Chartered Accountants**

**Place : Kolhapur
Date : 18th July, 2024**

**Rahulprasad A Agnihotri Partner
Membership No : 111576
FRN : 122293W
UDIN : 24111576BKFBDC8570**



Independent Auditor's Report

**TO
THE MEMBERS OF
MENON BEARINGS LIMITED**

Report on the Standalone Ind AS Financial Statements.

We have audited the accompanying Standalone Ind AS financial statements of MENON BEARINGS LIMITED (“the company”), which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (“SA”)s specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There are no such matters identified during the audit period.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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email arna.associates@outlook.com

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and those charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit & loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS;

- a) of the State of affairs (financial position) of the Company as at March 31, 2024;
- b) of the Profit (financial performance including Other Comprehensive Income) for the year ended on that date;
- c) of the Cash Flows for the year ended on that date; and
- d) of the Changes in Equity for the year ended on that date

Report on other Legal and Regulatory Requirements

- 1) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- 2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 (3) of the Companies Act, 2013 we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 3) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
 - e) On the basis of written representations received from the directors as on 31st March, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rule, 2014, in our opinion and to best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivatives contracts of which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
 - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, in respect of financial year commencing on 01 April 2023, the company have used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software except at the database level for accounting software B WAYS ERP to log any direct data changes. Further, during the course of our audit we did not note any instance of the audit trail (edit log) feature being tampered with on accounting software where this feature has been enabled. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

**For M/S A R N A & Associates.
Chartered Accountants**

Place : Kolhapur
Date : 18th July, 2024

**Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN : 122293W
UDIN : 24111576BKFBCY1320**

Annexure A to Independent Auditor's Report

The Annexure referred to in our Report of even date to the members of Menon Bearings Limited on the accounts of the Company for the year ended 31st March, 2024.

- (I) (a) The Company has maintained proper records, showing full particulars including quantitative details and situation of Property, Plant and Equipment. The Company has maintained proper records, showing full particulars of intangible assets.
- (b) property, plant and equipments are physically verified by the management in accordance with a regular programme at reasonable intervals. In our opinion the interval is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties of the company are held in the name of the Company based on the confirmation received from the Company except lease hold land from MIDC.
- (d) None of the Property Plant and Equipment's and Intangible assets are revalued during the current financial year.
- (e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management;
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is generally maintaining proper records of inventory. No material discrepancies were noticed on physical verification of stocks by the management as compared to book records.
- (d) The company has utilised working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. (Details are provided in notes to accounts)
- (e) The quarterly returns or statements filed by the company with financial institutions or banks are in agreement with the books of account of the Company.
- (iii) The Company has not granted any loans or provided any guarantees and securities covered u/s. 185 and 186 of the Companies Act, 2013.
- (iv) The company has not granted any loans, secured or unsecured or has not made any investments in companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act. However, the company has made an investment in two fully owned subsidiaries namely, "Menon Alkop Limited" & "Menon Bearings New Ventures Limited" of Rs. 1,00,000/- each in current year. The said investment is well within the limits prescribed under the said sections.
- (v) The Company has not accepted any deposits covered under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- (vi) As explained to us, maintenance of cost records has been specified by the Central Government under sub-section (I) of section 148 of the Companies Act, 2013, we are of the opinion that prima facie such

accounts and records have been made and maintained. However, we have not made a detailed examination of the records with a view to determine whether they are accurate and complete.

- (vii) (a) According to the records, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, Sales Tax, Service Tax, GST, duty of customs, duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. There were no outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable;
- (b) As explained to us, there are no dues of income tax, Sales Tax, Service Tax, GST, duty of customs, duty of Excise, Value Added Tax, Cess or duty of customs which have not been deposited on account of any dispute.
- (viii) There are no such transactions which are not recorded in the accounts that have been disclosed or surrendered before the tax authorities as income during the year.
- (ix) a) The Company has not defaulted in repayment of dues to a financial institution or bank or Government or dues to debenture holders.
- b) The company has not been declared a willful defaulter by any bank or financial institution or any other lender.
- c) The Company has utilized the term loans for the object for which they were obtained.
- d) The Company has not utilized short term funds for long term purposes.
- e) The company has not raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures.
- f) The company has not raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies.
- (x) During the period under review, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and hence reporting under clause 3(x)(a) of the Order is not applicable.
During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- (xi) a) No fraud on or by the company has been noticed or reported during the year;
- b) As represented by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) Since, the Company is not a Nidhi Company, the Nidhi Rules, 2014 are not applicable.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of the Companies Act, 2013 and details of the same have been disclosed in the Financial Statements as required by the applicable accounting standards;

- (xiv) The company has an internal audit system in accordance with its size and business activities. The reports of the internal auditors have been considered by the statutory auditor.
- (xv) As explained to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) a) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act.
- b) The company has not carried on any Non-Banking Financial or Housing Finance activities (NBFC or HFC).
- c) The company is not a Core Investment Company (CIC) under the RBI regulations.
- d) The company does not belong to any group that has more than one CIC as part of it.
- (xvii) The company has not incurred any cash losses in the financial year and the immediately preceding financial year.
- (xviii) During the year, there has been no resignation of statutory auditors.
- (xix) On an evaluation of: – The ageing report, financial ratios and expected dates of realisation of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, there exists no material uncertainty as on the date of audit report and the company can meet its liabilities which exist as at the balance sheet date when such liabilities are due in the future.
- (xx) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.
- In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount as at the end of the previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.
- (xxi) The reporting under clause (xxi) is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

**For M/S A R N A & Associates.
Chartered Accountants**

**Place: Kolhapur
Date : 18th July, 2024**

**Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN: 122293W
UDIN:- 24111576 BKFCY1320**

Annexure B to Independent Auditor's Report

The Annexure referred to in our Report of even date to the members of Menon Bearings Limited on the accounts of the Company for the year ended 31st March, 2024

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Menon Bearings Limited ("the Company") as of March 31, 2024 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control

over financial reporting includes those policies and procedures that;

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, based on;

- i. existing policies and procedures adopted by the Company for ensuring orderly and efficient conduct of business.
- ii. continuous adherence to Company's policies.
- iii. existing procedures in relation to safeguarding of Company's fixed assets, investments, inventories, receivables, loans and advances made and cash and bank balances.
- iv. existing system to prevent and detect fraud and errors.
- v. accuracy and completeness of Company's accounting records; and
- vi. existing capacity to prepare timely and reliable financial information.

**For M/S A R N A & Associates.
Chartered Accountants**

**Place: Kolhapur
Date : 18th July, 2024**

**Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN: 122293W
UDIN: 24111576BKFBCY1320**

Standalone Balance Sheet

as at 31st March, 2024

(Rs. in Lakhs)

SR. NO.	PARTICULARS	NOTE NO.	31.03.2024 AUDITED	31.03.2023 AUDITED
A	ASSETS -			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	02	7,218.83	7,645.29
	(b) Capital Work-In-Progress	28	1,412.30	829.71
	(c) Investments	03	1,196.04	953.84
	(d) Financial Assets			
	(i) Security Deposit	04	173.66	119.64
	Total Non-Current Assets		<u>10,000.83</u>	<u>9,548.48</u>
2	Current Assets			
	(a) Inventories	05	2,206.59	2,163.75
	(b) Financial Assets			
	(i) Trade Receivables	06	5,342.22	4,971.33
	(ii) Cash and Cash Equivalents	07	2,414.83	1,137.22
	(iii) Bank Balance other than (ii) above	07	178.14	179.49
	(iv) Loans & Advances	08	463.12	108.17
	(c) Other Current Assets	08	91.52	70.19
	Total Current Assets		<u>10,696.42</u>	<u>8,630.15</u>
	TOTAL ASSETS		<u>20,697.25</u>	<u>18,178.63</u>
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	09	560.40	560.40
	(b) Other Equity	10	14,075.20	12,783.43
	Total Equity		<u>14,635.60</u>	<u>13,343.83</u>
	Liabilities			
2	Non- Current Liabilities			
	(a) Financial Liabilities			
	(i) Long-Term Borrowings	11	1,874.07	579.31
	(ii) Lease Liability	11	50.87	-
	(b) Deferred Tax Liabilities (Net)	12	384.68	366.83
	Total Non-Current Liabilities		<u>2,309.62</u>	<u>946.14</u>
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short- Term Borrowings	13	1,489.25	885.19
	(ii) Trade Payables	14	1,207.07	1,256.39
	(iii) Other Financial Liabilities	15	642.78	734.84
	(b) Other Current Liabilities	16	412.93	1,012.24
	Total Current Liabilities		<u>3,752.03</u>	<u>3,888.66</u>
	TOTAL EQUITY AND LIABILITIES		<u>20,697.25</u>	<u>18,178.63</u>
	Significant Accounting Policies and Notes to Accounts	1		

As per our report of even date attached
For M/s. ARNA & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576KFBCY1320

Place : Kolhapur
Date : 18th July, 2024

NITIN MENON
Executive Chairman
DIN: 00692754

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

R. D. DIXIT
Managing Director
DIN : 00626827

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Standalone Statement of Profit & Loss for the year ended on 31.03.2024

(Rs. in Lakhs)

SR. NO.	PARTICULARS	NOTE NO.	31.03.2024 AUDITED	31.03.2023 AUDITED
i	Net - Revenue from Operations	17	20,624.80	21,694.01
ii	Other Operating Revenue	18	186.69	242.27
iii	Other Income	19	180.28	50.07
1	Total Revenue (i+ii+iii)		<u>20,991.77</u>	<u>21,986.35</u>
2	Expenses			
	Cost of Materials Consumed	20	8,026.09	8,832.53
	Changes in Inventories of Finished Goods, Work in Progress and Stock-in- Trade	21	(78.78)	(79.72)
	Employee Benefits Expense	22	1,842.84	1,741.73
	Finance Costs	23	322.96	291.06
	Depreciation and Amortization Expense	02	814.53	791.56
	Operating and Other Expenses	24	6,616.87	6,146.52
	Total		<u>17,544.51</u>	<u>17,723.69</u>
3	Profit Before Exceptional and Extraordinary Items and Tax (1-2)		3,447.26	4,262.66
4	Exceptional Items		-	-
5	Profit Before Tax (3-4)		<u>3,447.26</u>	<u>4,262.66</u>
6	Tax Expense:			
	(1) Current Tax	25	855.00	1,050.00
	(2) Deferred Tax	25	23.42	(59.40)
7	Profit/(Loss) for the period from Continuing Operations (5 -6)		<u>2,568.84</u>	<u>3,272.06</u>
8	Other Comprehensive Income Items that will not be reclassified to profit or loss		-	-
	(i) Re-Measurement gains / (losses) on defined benefit plans	27	(21.74)	(7.69)
	(ii) Income tax effect on above		5.57	1.97
	Total Other Comprehensive Income		<u>(16.17)</u>	<u>(5.72)</u>
9	Total Comprehensive Income for the period (7+8)		<u>2,552.67</u>	<u>3,266.34</u>
10	Paid-up Equity Share Capital (Face Value or Re.1 each fully paid up)		560.40	560.40
11	Earnings Per Equity Share (EPS) (Face Value of Re.1 each)			
	(i) Basic (in Rs.) (not annualised)		<u>4.58</u>	<u>5.84</u>
	(ii) Diluted (in Rs.) (not annualised)		<u>4.58</u>	<u>5.84</u>

As per our report of even date attached
For M/s. A R N A & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFCY1320

Place : Kolhapur
Date : 18th July 2024

NITIN MENON
Executive Chairman
DIN: 00692754

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

R. D. DIXIT
Managing Director
DIN : 00626827

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Standalone Cash Flow Statement for the year ended on 31st March 2024

(Rs. in Lakhs)

SR. NO.	PARTICULARS	31.03.2024 AUDITED	31.03.2023 AUDITED
1	Profit After Tax & Adjustments for	2,552.67	3,266.35
	Deferred Tax	23.42	(59.41)
	Tax on OCI	(5.57)	(1.97)
	Interest (Net)	210.82	247.14
	Profit on Sale of Assets	-	(17.17)
	Loss on Sale of Assets	-	-
	Profit / (Loss) on Fair Valuation of Mutual Fund	(68.14)	(6.15)
	Add:- Depreciation & Amortization	814.53	791.56
	Operating Profit before W/C Changes	3,527.72	4,220.36
	Changes in Working Capital		
	Current Assets		
	Inventories	(42.83)	(41.27)
	Trade Receivables	(370.89)	125.82
	Short Term Loans Advances	(354.94)	55.57
	Other Current Assets	(21.34)	23.42
	Current Liabilities		
	Trade Payables	(49.33)	(62.99)
	Other Current Liabilities	(92.05)	(159.22)
	Short Term Provisions	(599.32)	847.08
	Cash From Operating Activities	1,997.02	5,008.78
2	Cash From Investing Activities		
	Purchase of Fixed Assets	(388.07)	(565.82)
	Profit on Sale of Assets	-	17.17
	Profit on Investment	68.14	-
	Change in CWIP	(582.59)	(829.31)
	Investments	(242.20)	(953.84)
	Security Deposits	(54.03)	(13.38)
	Interest Received	112.14	43.92
	Cash From Investing Activities	(1,086.60)	(2,295.12)
3	Cash Flow from Financing Activities		
	Change in Short Term Borrowing	604.06	(778.70)
	Change in Long Term Borrowing	1,294.77	(85.02)
	Lease Liability	50.87	-
	Interest Paid	322.96	(291.06)
	Dividend Paid	(1,260.90)	(1,120.80)
	Tax on Dividend	-	-
	Cash Flow from Financing Activities	365.84	(2,275.58)
	Total Cash Flow	1,276.26	438.08
	Add:- Opening Cash & Cash Equivalents	1,316.71	878.63
	Closing Cash & Cash Equivalents	2,592.97	1,316.71

As per our report of even date attached
For M/s. A R N A & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFCY1320

NITIN MENON
Executive Chairman
DIN: 00692754

R. D. DIXIT
Managing Director
DIN : 00626827

Place : Kolhapur
Date : 18th July, 2024

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Standalone Statement of Changes in Equity

(Rs. in Lakhs)

Sr. No.	Particulars	Equity Share Capital	Reserves & Surplus				Other Comprehensive Income Other Items of Other Comprehensive Income	Total equity attributable to equity holders of the Company
			Retained Earnings	General Reserve	Revaluation Reserve	Capital Reserve		
1	Balance as at April 1 st , 2023	560.40	9,376.53	1,176.47	2.56	25.00	57.32	11,198.28
2	Changes in Equity for the year ended March 31 st , 2023	-	-	-	-	-	-	-
3	Transfer to General Reserve	-	(75.00)	75.00	-	-	-	-
4	Re- measurement of Gain/s (Losses) on defined benefit plan	-	-	-	-	-	(5.72)	(5.72)
5	Dividends (including Dividend Distribution Tax)	-	(1,120.80)	-	-	-	-	(1,120.80)
6	Profit for the year	-	3,272.06	-	-	-	-	3,272.06
7	Balance as at March 31st, 2023	560.40	11,452.79	1,251.47	2.56	25.00	51.60	13,343.82
8	Changes in Equity for the year ended March 31 st , 2023	-	-	-	-	-	-	-
9	Transfer to General Reserve	-	(75.00)	75.00	-	-	-	-
10	Re- measurement of Gain/s (Losses) on Defined Benefit Plan	-	-	-	-	-	(16.17)	(16.17)
11	Dividends (including Dividend Distribution Tax)	-	(1,260.90)	-	-	-	-	(1,260.90)
12	Profit for the year	-	2,568.84	-	-	-	-	2,568.84
13	Balance as at March 31st, 2024	560.40	12,685.73	1,326.47	2.56	25.00	51.60	14,635.59

Notes on Accounts for the year ended

Note No. 1

for the year ended on 31st March, 2024

SIGNIFICANT ACCOUNTING POLICIES

I. Basis of Preparation :

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India..

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

The financial statements for the year ended 31st March, 2024 (including comparatives) are duly adopted by the Board on **18th July, 2024** for consideration and approval by shareholders.

II. Summary of Accounting Policies :

1) Overall Considerations

The financial statements have been prepared applying the significant accounting policies and measurement basis summarized below.

2) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties. It excludes Excise Duty and GST.

i. Sale of Products:

Revenue from sale of products is recognised when significant risks and rewards of ownership pass to the customers, as per the terms of the contract and when the economic benefits associated with the transactions will flow to the Company.

ii. Interest Income:

Interest incomes are recognized using the time proportion method based on the rates implicit in the transaction. Interest income is included in other income in the statement of profit and loss.

3) Property, Plant and Equipment

- i. **Freehold Land** is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes:
 - a. Purchase Price
 - b. Taxes and Duties (to the extent not set off as ITC)
 - c. Labour Cost and
 - d. Directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty and GST to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii) Component Accounting:

The component of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of the respective asset, the life of the component in assets are determined based on technical assessment and past history of replacement of such components in the assets. The carrying amount of any component accounted for as separate asset is derecognised when replaced.

iii) Other Cost:

All other repairs and maintenance cost are charged to the statement of profit and loss during the reporting period in which they are incurred.

Profit or Losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other income/ (loss).

iv) Depreciation and Amortization:

- a) Depreciation is recognized on a straight-line basis, over the useful life of the buildings and other equipment's as prescribed under Schedule II of the Companies Act, 2013.
- b) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset as evaluated on technical assessment on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013
- c) The estimated useful life of the tangible fixed assets on technical assessment followed by the Company is furnished below:

Description	Range of Useful Lives in years
Buildings	30 - 60
Plant & Equipment	10 - 15
Furniture & Fixtures	08 - 10
Office Equipments	03 - 06
Vehicles	08 - 10

Material residual value estimates and estimates of useful life are assessed as required.

- d) The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.
- e) On tangible fixed assets added/disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

4) Impairment:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which

the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In respect of assets whose impairment are to be assessed with reference to other related assets and such group of assets have independent cash flows (Cash Generating Units), such assets are grouped and tested for impairment.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

5) Leases:

i) Assets taken on Lease:-

The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets and the corresponding lease rental paid are directly charged to the Statement of Profit and Loss. There are no such leases during the year. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. Associated costs, such as maintenance and insurance, are expensed.

ii) Decommissioning charges in respect of properties like Plant and Equipment, Furniture & Fixtures and Office Equipment's presently located in land taken on lease are not provided for as it is impractical to estimate the sum that will be incurred at the time the lease comes to end. Further there is also likelihood of the lessor renewing the lease.

6) Financial Assets Classification and Subsequent Measurement of Financial Assets:

i) For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:

- a) Those to be measured subsequently at Fair Value either through Other Comprehensive Income (Fair Value through Other Comprehensive Income-FVTOCI) or through Profit or Loss (Fair Value through Profit and Loss-FVTPL) and;
- b) Those measured at Amortized Cost

1. Financial Assets at Amortised Cost includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and

The Company also measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition.

2. Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI) : There are no such asset.

3. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

The Company has investment in shares which are fair valued through Profit & Loss account. Any transaction cost on the same are income to Profit & Loss account. The Total Profit due to Net Gain on Investments in Mutual Funds shares is Rs. 68,14,388/- (Previous Year Rs. 6,15,120/-)

ii. Impairment of Financial Assets:

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

iii. Derivative Financial Instruments and Hedge Accounting:

here are no such transactions.

iv. Trade Receivables

The Company follows 'Simplified Approach' for recognition of impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

v. Derecognition of Financial Assets

financial asset is derecognised only when;

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) The Company retains the contractual rights to receive the cash flows of the financial asset, but expects a contractual obligation to pay the cash flows to one or more recipients. There are no such derecognitions.

7) Financial Liabilities:

I. Classification, Subsequent Measurement and Derecognition of Financial Liabilities

a. Classification

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. The Company's financial liabilities include borrowings & trade and other payables.

b. Subsequent Measurement

Financial Liabilities are measured subsequently at amortized cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

c. Derecognition

A financial Liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

8) Inventories

Inventories are valued at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis in accordance with the method of valuation prescribed by the Institute of Chartered Accountants of India.

i. Raw Materials

Raw Materials are valued at cost of purchase, net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use.

ii. Work-in-Process and Finished Goods

Work-in-Process and Finished Goods include conversion costs in addition to the landed cost of raw materials.

iii. Stores and Spares

Stores, Spares and Tools Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

9) Income Taxes

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognised in other comprehensive income (OCI) are disclosed under OCI.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions. As a result of these exemptions the Company does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

10) Post-Employment Benefits and Short-Term Employee Benefits**i. Short Term Obligations:**

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognised up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii. Other Long Term Employee Benefits Obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the

for at the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income (OCI).

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-Employment Obligation:

The Company operates the following post-employment schemes:

a) **Defined Contribution Plan such as Gratuity & Provident Fund**

Gratuity Obligation:

The company has created The Employees Group Gratuity Fund which has taken Gratuity Cum Life Insurance Policy from LIC of India. Premium on said policy is calculated by LIC & Conveyed to us on the basis of Project Unit Credit Method. The same is accounted for in books of accounts.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The provident fund contributions are made to EPFO.

Bonus Payable:

The Company recognises a liability and an expense for bonus. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

11) **Provisions and Contingent Liabilities**

i. Provisions:

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii. Contingent Liabilities:

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered

as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

iii. **Contingent Assets:**

The Company does not recognise contingent assets. If it is virtually certain then they will be recognised as asset. These are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

12) **Earnings Per Share:**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

13) **Cash and Cash Equivalents and Cash Flow Statement:**

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

14) **Segment Reporting:**

The Company operates in one business segment namely "Auto Components". Hence reporting under this standard is not applicable.

15) **Borrowing Costs:**

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. During the year, the company has capitalised borrowing costs of Rs.NIL

16) Related Party Disclosures as per IND AS 24

Following are the related parties: -

(Rs. in Lakhs)

Sr. No	Name of Party	Relation	Nature of Transaction	Current Year 31.03.2024 Amount	Previous Year 31.03.2023 Amount
1.	Mani Auto Components	Mr. Nitin Menon is a Partner	Sales	2,267.83	3,046.95
			Service Charges	105.36	95.66
2.	Menon United Pvt. Ltd.	Mr. Nitin Menon is a Chairman	Corporate Services	28.44	28.44
3.	Flyga Auto Pvt.Ltd.	Mr. Nitin Menon is a Chairman	Purchase of Car	-	56.46
			Motor Vehicle Repairs Charges	10.84	7.66
4.	Flyga Resorts Pvt. Ltd.	Mr. Nitin Menon is a Chairman	Purchase of Material	11.73	7.24
5.	Menon Brakes Ltd.	Wholly Owned Subsidiary	Purchase of Equity Shares	-	825.00
			Advance	342.55	-
6.	Menon Alkop Ltd.	Wholly Owned Subsidiary	Purchase of Equity Shares	1.00	-
			Preliminary Expenses	11.80	-
7.	Menon Bearings New Ventures Ltd..	Wholly Owned Subsidiary	Purchase of Equity Shares	1.00	-
			Preliminary Expenses	12.81	-
8.	Sunshine Acres	Mr. Nitin Menon is a Partner	Services	2.43	4.18
9.	Mr. R. D. Dixit	Managing Director	Remuneration	56.00	43.35
10.	Mr. Nitin Menon	Executive Chairman	Remuneration	223.90	185.55
11.	Mr. Arun Aradhya	Whole-time Director & CFO	Director's Remuneration	73.48	63.61
12.	Mr. Aditya Menon	Son of Executive Chairman	Salary	32.33	30.87
13.	Mr. Anshul Menon	Son of Executive Chairman	Rent	19.19	21.72
			Salary	4.31	3.34
14.	Mrs.Sucheta Menon	Spouse of Executive Chairman	Rent	5.00	-
15.	Mr. M. L. Shinde	Independent Director	Sitting Fees	0.30	0.20
16.	Mrs. Kailash Nevagi	Independent Director	Sitting Fees	0.30	0.15
17.	Dr. Santosh Prabhu	Independent Director	Sitting Fees	0.30	0.20

Notes:

- a. Mr. Nitin Menon – Executive Chairman, Mr. R. D. Dixit – Managing Director and Mr. Arun Aradhya Whole-time Director & CFO, are employees of the Company. Mr. M. L. Shinde, Mrs. Kailash Nevagi and Dr. Santosh Prabhu, the Independent Directors are not paid any remuneration, only Sitting fees are paid to them. The salary, perquisites and remuneration paid are disclosed under Report on Corporate Governance (point no. 8.3) as details of Remuneration and Sitting Fees paid to Directors.

- b. Apart from above mentioned parties, following parties are also related parties of the Company. However, no significant transactions took place with these parties during the year.
1. Flyga Hotels Pvt. Ltd. (Formerly known as Menon Signature Pvt. Ltd.)
 2. GiveArtisans Trust.
- c. Mr. Nitin Menon & Menon United Pvt .Ltd. hold 10% or more shares in the Company.

17) Government Grants:

The Company has a policy to recognize Government Grants only when-

- i) It has complied with the conditions attached to it and
- ii) there is a reasonable assurance that it will be received. Grants related to assets are presented in the Balance Sheet as deferred income and recognized in Profit and Loss account on systematic basis over the useful life of the asset. Currently there are no such grants. Grants related to income are presented as part of Profit and Loss account under "Other Operating Revenue". Grants related to duty drawback refunds are accounted on receipt basis as the time frame within which it will be received cannot be estimated. Government Grant in the form of duty drawback accounted during the year is Rs. 82,06,953/- (Previous Year Rs. 64,70,386/-)

18) Events occurring after Balance Sheet Date: -

The company by Special Resolution passed through Postal Ballot on 28.04.2024 and approved the Transfer/ Slum Sale of the Aluminium Die- Casting Unit along with its identified Assets & Liabilities on fair valuation basis to its Wholly Owned Subsidiary "Menon Alkop Limited". The transaction will be completed after receipt of regulatory approval consequently. This disclosure is made in accordance with Ind AS -10. "Events after Reporting Period". The results of Aluminium Die Casting Division included in financial results are as follows.

Particulars	31.03.2024	31.03.2023
Total Income	65,34,92,827/-	60,13,72,316/-
Total Expenses	54,82,94,841/-	49,86,01,931/-
Profit/(Loss) Before Tax from Discontinued Operations	10,51,97,986/-	10,27,70,385/-

III. Significant management judgment in applying accounting policies and estimation of Uncertainty

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

(i) Significant Management Judgment

The following are significant management judgments in applying the accounting policies of the Company that have significant effect on the financial statements.

Recognition of Deferred Tax Assets/Liability

The extent to which deferred tax assets/Liability can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and

tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

(ii) Estimation of Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below. Actual results may be different.

a. Impairment of Non-Financial Assets

In assessing impairment, management has estimated economic usefulness of the assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use of an interest rate to discount them. Estimation of uncertainty relates to assumptions about economically future operating cash flows and the determination of a suitable discount rate.

b. Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including Intangible Assets.

c. Inventories

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

d. Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note No. 26 & 27).

e. Current and Non-Current Classification

All assets and liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

NOTES OF FINANCIAL STATEMENT FOR YEAR ENDING 31.03.2024 (CONTD.)														
Note No. 02 FIXED ASSETS														
PROPERTY, PLANT AND EQUIPMENT F.Y. 2023-2024 (Rs. in Lakhs)														
Sr. No	Particulars	Years	GROSS BLOCK				DEPRICIATION						NET BLOCK	
			Opening Balance	Additions	Deletions	Total	Upto	On Opening	On Additions	For the Year	Adjustments	Total	As on 31.03.24	As on 31.03.23
A. Tangible Assets														
1	Land (Lease Hold)	-	824.35	-	-	824.35	66.30	10.35	-	10.35	-	76.65	747.71	758.05
2	Land (Free Hold)	-	36.76	-	-	36.76	-	-	-	-	-	-	36.76	36.76
3	Site Development	-	504.18	-	-	504.18	9.85	1.97	-	1.97	-	11.82	494.35	494.32
4	Building	30	2,591.26	1.66	-	2,592.92	755.71	76.70	0.04	76.74	-	832.45	1,760.47	1,835.55
5	Plant and Machinery	15	9,341.66	157.61	-	9,499.27	5,846.32	499.86	7.77	507.63	-	6,353.95	3,145.32	3,495.34
6	Electrical Installation	10	421.11	30.38	-	451.49	273.78	18.73	1.53	20.25	-	294.03	157.45	147.33
7	Tools and Implements	15	1,010.85	76.14	-	1,086.99	593.35	80.80	10.56	91.37	-	684.71	402.28	417.50
8	Material Handling Equipments	15	130.95	0.59	-	131.53	90.25	17.62	0.21	17.83	-	108.09	23.45	40.69
9	Fire Fighting	15	100.65	1.69	-	102.33	28.61	9.94	0.13	10.07	-	38.68	63.65	72.04
10	Effluent Treatment Plant	15	96.19	-	-	96.19	66.68	2.96	0.90	3.86	-	70.55	25.65	29.51
11	Office Equipments	5	110.21	1.58	-	111.78	79.25	10.16	0.23	10.39	-	89.64	22.15	30.96
12	Miscellaneous Assets	15	26.75	7.92	-	34.67	16.37	0.95	0.27	1.22	-	17.59	17.08	10.37
13	Computers	6	81.62	4.74	-	86.36	72.08	2.27	0.85	3.12	-	75.20	11.16	9.54
14	Furniture	10	219.07	4.56	-	223.62	128.72	12.92	0.11	13.03	-	141.75	81.87	90.35
15	Vehicle	8	371.63	29.82	0.50	400.95	204.16	32.03	2.44	34.48	-	238.63	162.31	167.47
16	Electrical Forklift	15	8.50	-	-	8.50	3.95	0.54	-	0.54	-	4.49	4.01	4.55
17	Lease Assets	8	-	67.31	-	67.31	-	-	9.62	9.62	-	9.62	57.69	-
	TOTAL	-	15,875.72	383.98	0.50	16,259.20	8,235.38	777.81	34.66	812.47	-	9,047.84	7,211.36	7,640.34
	Previous Year Amount	-	15,345.58	633.41	103.27	15,875.72	7,480.54	760.90	29.10	790.00	35.16	8,235.38	7,640.34	7,865.04
B. Intangible Assets														
1	Technical Know-how	3	52.45	-	-	52.45	52.45	-	-	-	-	52.45	-	-
2	Computer Software	3	77.39	4.58	-	81.97	72.44	1.42	0.64	2.06	-	74.51	7.47	4.95
	TOTAL	-	129.83	4.58	-	134.42	124.89	1.42	0.64	2.06	-	126.95	7.47	4.95
	Previous Year Amount	-	129.32	0.52	-	129.83	123.33	1.47	0.09	1.56	-	124.89	4.95	5.99

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No.03		
c) Investments		
1) Investment in Equity Shares of Wholly Owned Subsidiary (as fully paid, unquoted)		
● 8,25,00,000 Equity Shares of Menon Brakes Limited (Face Value of Re. 1/- each)	825.00	825.00
● 1,00,000 Equity Shares of Menon Alkop Limited (Face Value of Re. 1/- each)	1.00	-
● 1,00,000 Equity Shares of Menon Bearings New Ventures Limited (Face Value of Re. 1/- each)	1.00	-
<u>SUB-TOTAL</u>	<u>827.00</u>	<u>825.00</u>
2) Investment in Mutual Funds (quoted)		
● Kotak Emerging Equity Fund Growth Plan – 27,775.374 Units (Previous Year 6,499.322 Units)	28.46	4.81
● Kotak Equity Opportunities Regular Fund Growth Plan – 3,111.273 Units (Previous Year Nil Units)	8.91	-
● Kotak Multicap Regular Fund Growth Plan – 53,246.611 Units (Previous Year Nil Units)	8.69	-
● ICICI Balanced Advantage Fund Growth Plan – 1,28,681.238 Units (Previous Year 68,672.544 Units)	82.94	36.07
● ICICI India Opportunities Fund Growth Plan – 59,157.764 Units (Previous Year 34,358.306 Units)	17.50	6.70
● ICICI Business Cycle Fund Growth Plan – 85,236.425 Units (Previous Year 48,955.807 Units)	17.75	6.62
● Nippon India Large Cap Fund Growth Plan – 98,153.162 Units (Previous Year 54,208.994 Units)	76.74	29.27
● Nippon India Flexi Cap Fund Growth Plan – 65,370.313 Units (Previous Year 46,867.559 Units)	9.42	4.81
● Nippon Balanced Advantage Fund Growth Plan – 72,336.923 Units (Previous Year 32,403.068 Units)	118.63	40.56
<u>SUB-TOTAL</u>	<u>369.04</u>	<u>128.84</u>
<u>TOTAL</u>	<u>1,196.05</u>	<u>953.84</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No.04		
(i) Long Term - Security Deposit		
Telephone Deposit	0.70	0.70
MSEDCL Deposit	170.17	116.15
Water Deposit	2.79	2.79
TOTAL	<u>173.66</u>	<u>119.64</u>
Note No.05		
Current Assets -		
(a) Inventories		
a) Raw Material	507.60	642.89
b) Stores & Spares	311.81	212.45
c) Finished Goods	975.30	938.95
d) Work in Process	411.88	369.46
TOTAL	<u>2,206.59</u>	<u>2,163.75</u>
Note No.06		
(b) Financial Assets -		
(i) Trade Receivables		
(Unsecured, Considered Good)		
Outstanding for a period exceeding 6 months	900.87	702.90
Other Debts	4,441.36	4,268.43
TOTAL	<u>5,342.23</u>	<u>4,971.33</u>
Note No.07		
(ii) Cash and Cash Equivalents		
Cash in Hand	1.56	1.74
(iii) Bank Balance other than (ii) above		
i) In Current A/c	87.86	92.28
ii) In Fixed Deposits & Recurring Deposit	2,325.41	1,043.20
TOTAL	<u>2,414.83</u>	<u>1,137.22</u>
iii) Other Bank Balances		
Earmarked Balances with Banks- Dividend Warrant Accounts	178.14	179.49
TOTAL	<u>2,592.97</u>	<u>1,316.71</u>

Particulars	Current Year Ended on 31.03.2024		Previous Year Ended on 31.03.2023	
	%	No. of Shares	%	No. of Shares
Note No.08				
(iv) Loans - Short -Term Loans & Advances				
Other Advance		10.47		1.83
Staff Advance		15.51		15.35
Interest accrued but not received		18.16		18.16
Other Deposits		27.84		9.91
Prepaid Expenses		47.19		28.57
Advance Income Tax		1.40		34.35
Menon Brakes Limited		342.55		-
<u>TOTAL</u>		<u>463.12</u>		<u>108.17</u>
c) Other Current Assets				
Advance to Suppliers		68.92		70.19
Advance to Subsidiaries for Preliminary Expenses		22.60		-
<u>TOTAL</u>		<u>91.52</u>		<u>70.19</u>
EQUITY AND LIABILITIES				
Note No.09				
Equity				
(a) Equity Share Capital				
Authorised:				
10,10,00,000 Equity Shares of Re.1 each fully paid (Previous Year 10,10,00,000 Equity Shares of Re.1 each)		1,010.00		1,010.00
Issued,Subscribed and Paid-Up :				
5,60,40,000 Equity Shares of Re.1 each fully paid (Previous year 5,60,40,000 Equity Shares of Re.1 each fully paid)		560.40		560.40
<u>TOTAL</u>		<u>560.40</u>		<u>560.40</u>
Name of the Shareholder	31.03.2024		31.03.2023	
	%	No. of Shares	%	No. of Shares
Nitin Ram Menon	29.29	1,64,16,780	30.37	1,70,16,780
Menon United Pvt. Ltd.	24.30	1,36,19,800	24.30	1,36,19,800
Sucheta Nitin Menon	5.00	28,01,964	5.00	28,01,964
Aditya Nitin Menon	5.79	32,44,978	5.79	32,44,978
Anshul Nitin Menon	5.79	32,44,978	5.79	32,44,978

Particulars		Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023	
Note No. 10				
(b) Other Equity				
General Reserve		1,251.47	1,176.47	
Add : Current Year		75.00	75.00	
Sub-Total		1,326.47	1,251.47	
Capital Reserve		25.00	25.00	
Revaluation Reserve		2.56	2.56	
Profit & Loss Account (Surplus)		12,721.17	11,504.40	
TOTAL		14,075.20	12,783.43	
Note:				
a. Surplus				
Opening Balance		11,504.41	.	
Add:- Net Profit for the current period		2,568.84	3,272.06	
Add:- Other Comprehensive Income		(16.17)	(5.72)	
Profit available for appropriation		14,057.08	12,700.21	
Less: Dividend Paid on Equity Shares		1,260.90	1,120.80	
TOTAL		12,796.18	11,579.41	
Less: Tax on distributed profits on equity shares		-	-	
Balance carried forward to Balance Sheet		12,796.18	11,579.41	
Less: Transfer to General Reserve		75.00	75.00	
Balance carried forward to Balance Sheet		12,721.18	11,504.41	
LIABILITIES				
Non Current Liabilities				
Note No. 11				
(a) Financial Liabilities				
(i) Long-Term Borrowings				
a) Term Loan from Banks				
Bajaj Finance Ltd		1,874.07	16.41	
HDFC Bank Ltd		-	562.90	
TOTAL		1,874.07	579.31	
Bank Name	Loan Amt in lakhs	Installment Amt. in Lakhs	Loan Amt in lakhs	Installment Amt. in Lakhs
	31.03.2024		31.03.2023	
Bajaj Finance Ltd. - Term Loan	2,200.00	400.00	153.47	11.42
HDFC Bank Ltd. - Term Loan	-	-	723.63	13.39

A) Bajaj Finance Limited:- The previous loan of Bajaj Finance Limited is closed and a fresh loan of Rs.22 Crores is sanctioned. The loan has a moratorium period of 12 months(Interest to be served as and when applied). The total loan tenure is 66 months, including moratorium period. The loan is repayable in 54 equated monthly principal installments starting August 2024. The rate of interest is 9.50%, The loan is secured by charge on entire immovable and movable fixed assets of the company located at B-2, Gokul Shirgaon MIDC & A-4/2, Gokul Shirgaon MIDC, Kolhapur. The loan is also secured by personal gaurantee of Mr.Nitin Menon.

(ii) Lease Liability	50.87	-
	50.87	-

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 12		
(C) Deferred Tax Liabilities (Net)		
Deferred Tax Liability		
a) Depreciation Opening	391.93	450.69
Add: During the year	0.37	(58.76)
Closing Liability (a)	392.31	391.93
b) Disallowances as per Section 43B & 40(a)of Income Tax Act		
Opening	(15.08)	(10.52)
Add: During the year	14.86	(4.56)
Closing Asset (b)	(0.22)	(15.08)
c) Others Opening	(10.02)	(11.96)
Add:- During the Year	2.61	1.94
Closing Asset (c)	(7.41)	(10.02)
Deferred Tax Liability (Net) (a-b-c)	<u>384.68</u>	<u>366.83</u>
Current Liabilities		
Note No. 13		
(a) Financial Liabilities		
Name of Bank		
HDFC Bank Ltd Cash Credit	1,163.32	411.74
Term Loan Due within 1 Year	325.93	473.45
TOTAL	<u>1,489.25</u>	<u>885.19</u>

Notes:

a) HDFC Bank Ltd. Kolhapur is secured by exclusive charge on entire current assets, movable and immovable fixed assets at Plot No. C-1, Kagal Five Star MIDC and at G-1, MIDC Gokul Shirgaon, Kolhapur and personal guarantee of Mr.Nitin Menon.

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 14		
(ii) Trade Payable		
Trade Payable	969.46	1,045.67
Trade Payable (M.S.M.E.)	237.61	210.72
TOTAL	<u>1,207.07</u>	<u>1,256.39</u>
Note No. 15		
(iii) Other Financial Liabilities		
Gratuity Payable	26.65	68.90
Deposit from Customers	37.17	40.57
C.S.R.(CORPORATE SOCIAL RESPONSIBILITY)	(48.32)	(6.89)
Provision for Expenses	449.14	452.77
Unpaid / Unclaimed Dividend	178.14	179.49
TOTAL	<u>642.78</u>	<u>734.84</u>

Note:

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2024.

Note No. 16		
(b) Other Current Liabilities		
GST Tax Payable	32.06	20.18
Statutory Liabilities	118.28	108.00
Advance From Customers	209.87	37.72
Lease Liability	8.56	-
Leave Encashment	44.16	33.13
TOTAL	<u>412.93</u>	<u>1,012.24</u>
Note No. 17		
Sales		
1. Auto & Aluminum Die Casting Components	20,398.04	21,472.40
2. Scrap Sale	226.76	221.61
TOTAL	<u>20,624.80</u>	<u>21,694.01</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 18		
Other Operating Revenue		
a) Exchange Difference	22.64	102.19
b) Sale of DEPB License	23.98	7.32
c) Duty Drawback Refund	82.07	64.70
d) Income from Other Source	26.42	24.10
e) Other Income	31.58	26.79
f) Profit on Sale of Fixed Asset	-	17.17
<u>TOTAL</u>	<u>186.69</u>	<u>242.27</u>
Note No. 19		
Other Income		
Income from Non-Current Investments		
a) Interest Received	112.14	43.92
b) Net Gain / (Loss) on Sale of Investment	68.14	6.15
<u>TOTAL</u>	<u>180.28</u>	<u>50.07</u>
Note No. 20		
Cost of Materials Consumed		
Raw Material		
Opening Stock	642.90	712.57
Add : Purchases	7,890.79	8,762.85
Total :	<u>8,533.69</u>	<u>9,475.42</u>
Less: Closing Stock	507.60	642.90
Total :	<u>507.60</u>	<u>642.90</u>
<u>Raw Material Consumed</u>	<u>8,026.09</u>	<u>8,832.53</u>
Note No. 21		
Changes in Stock of Work-in-Process and Finished Goods		
Opening Stock		
Finished Goods	938.95	934.27
Work in Process	369.45	294.41
<u>TOTAL</u>	<u>1,308.40</u>	<u>1,228.68</u>
Closing Stock :		
Finished Goods	975.30	938.95
Work in Process	411.88	369.45
<u>TOTAL</u>	<u>1,387.18</u>	<u>1,308.40</u>
Increase / (Decrease) in Stock	(78.78)	(79.72)

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 22		
Employee Benefits Expenses		
Directors Remuneration	353.37	292.52
Salary and Wages	1,330.62	1,287.94
Labour Welfare	36.15	41.08
Contribution to Provident Fund	101.69	100.73
Contribution to Group Gratuity Trust	21.01	19.46
<u>TOTAL</u>	<u>1,842.84</u>	<u>1,741.73</u>
Note No. 23		
Cost of Finance		
Interest	307.41	272.48
Bank Commission & Other Charges	15.55	18.58
<u>TOTAL</u>	<u>322.96</u>	<u>291.06</u>
Note No. 24		
Operating and Other Expenses		
A] Operating Expenses		
Stores & Spares Consumed	1,562.90	1,457.85
Electricity	1,620.78	1,572.40
Power & Fuel Expense	67.36	72.55
Electric Material	1.16	1.47
Outside Labour Charges	153.10	156.10
Contract Labour Charges	1,680.22	1,468.58
Water Charges	29.95	28.06
Repairs & Maintenance	256.90	210.39
Testing Fees	15.52	9.95
Hamali	6.25	5.95
Machining Charges	12.21	17.35
<u>Total A]Operating Expenses</u>	<u>5,406.34</u>	<u>5,000.65</u>

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
B] Other Expenses		
Advertisement	11.16	9.97
C.S.R.(Corporate Social Responsibility) Expenses	66.45	51.14
i) Audit Fees	4.20	4.20
ii) For Tax Matters	0.30	0.30
iii) For Company Law Matters	0.45	-
iv) Other Services	0.51	0.45
Business Expenses	37.18	23.29
Donation	0.12	1.10
Establishment Expenses	28.44	28.44
Foreign Tour Expenses	0.85	0.94
Freight Outward	330.32	318.07
Insurance	27.95	24.44
Building Repairs	61.14	112.29
Legal & Consultation	80.40	48.37
Misc. Expenses	23.97	20.77
Postage, Telephone	13.87	14.55
Printing & Stationary	14.94	17.67
Rent, Rates and Taxes	44.80	35.26
Sales Promotion Expenses	340.84	306.39
Sitting Fees	0.90	0.55
Traveling Expenses	95.98	89.52
Loss on Sale of Asset	-	10.71
Vehicle & Conveyance Expenses	25.75	27.45
Total B] Other Expenses	<u>1,210.52</u>	<u>1,145.87</u>
Total [A+B] Operating and Other Expenses	<u>6,616.87</u>	<u>6,146.52</u>
Note No. 25		
Tax Expense		
Current Tax	855.00	1050.00
Deferred Tax	23.42	(59.41)
TOTAL	<u>878.42</u>	<u>990.59</u>
Note No. 26		
Retirement Benefits (Gratuity)		
Valuation Method - Projected Unit Credit Method		
1. Results of Valuation		
a. PV of Past Service Benefit	544.09	98.26
b. Current Service Costs	29.31	29.08
c. Total Service Gratuity	764.14	976.01
d. Accrued Gratuity	176.40	511.68
e. LCSA	439.94	454.69
f. LC Premiun	1.65	1.60
GST Tax @ 18 %	0.30	0.29

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023			
2. Recommended Contribution Rate					
a. Fund Value as on Renewal Date	138.49	473.26			
b. Additional Contribution for Existing Fund	-	53.77			
c. Current Service Costs	27.97	18.83			
3. Total Amount Payable Rs. (1.f +1.g+2.b+2.c)	29.92	74.49			
4. Less: Amount Paid	3.27	5.00			
5. Liability Appearing in Balance Sheet	<u>26.65</u>	<u>69.49</u>			
Note No. 27					
Leave Encashment					
Valuation Method - Projected Unit Credit Method					
A) Other Comprehensive Income (OCI)					
Actuarial (Gain)/Loss recognized for the period	21.74	7.69			
Asset Limit Effect	-	-			
Return on Plan Assets excluding Net Interest	-	-			
Unrecognized Actuarial (Gain)/Loss from previous period	-	-			
Total Actuarial (Gain)/Loss recognized in (OCI)	21.74	7.69			
B) Movements in the Liability recognized in Balance Sheet					
Opening Net Liability	33.25	31.42			
Adjustment to Opening Balance	-	-			
Expenses as Above	(10.76)	(4.26)			
Contribution Paid	(0.06)	(1.60)			
Other Comprehensive Income (OCI)	21.74	7.69			
Closing Net Liability	<u>44.16</u>	<u>33.25</u>			
Note No. 28					
Capital Work In Progress Ageing as at 31st March, 2024	(Rs. in Lakhs)				
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	More than 3 years
Project in Progress	1,402.32	9.98	-	-	1,412.30
Project Temporarily Suspended	-	-	-	-	-
Capital Work In Progress Ageing as at 31st March, 2023					
Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	More than 3 years
Project in Progress	829.71	-	-	-	829.71
Project Temporarily Suspended	-	-	-	-	-

Note No. 29					
Reconciliation of Number of Equity Shares Outstanding at the beginning and end of the year:					
Particulars		As at 31st March, 2024		As at 31st March, 2023	
Equity Shares		No of Shares	Amount (Rs. in Lakhs)	No of Shares	Amount (Rs. in Lakhs)
Balance at the beginning of the year		5,60,40,000	560.40	5,60,40,000	560.40
Balance at the end of the year		5,60,40,000	560.40	5,60,40,000	560.40
Shares held by Promoter & Promoter Group at the end of the year (i.e. 31st March, 2024)					
Sr. No.	Name	Category	Number of Shares	% of Total Shares	% change during the year
1	Nitin Ram Menon	Promoter	1,64,16,780	29.29	-
2	Menon United Pvt. Ltd.	Promoter Group	1,36,19,800	24.30	-
3	Sucheta Nitin Menon	Promoter Group	28,01,964	5.00	-
4	Aditya Nitin Menon	Promoter Group	32,44,978	5.79	-
5	Anshul Nitin Menon	Promoter Group	32,44,978	5.79	-
Note No. 30					
Trade Payable Ageing as at 31st March, 2024					(Rs. in Lakhs)
Particulars	Outstanding for following periods from due date of payment / from date of invoice raised				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	237.60	-	-	-	237.60
Others	965.18	3.88	0.41	-	969.47
Dispute due MSME	-	-	-	-	-
Dispute Due others	-	-	-	-	-
TOTAL	1,202.78	3.88	0.41	-	1,207.07
Trade Payable Ageing as at 31st March, 2023					(Rs. in Lakhs)
Particulars	Outstanding for following periods from due date of payment / from date of invoice raised				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
MSME	210.72	-	-	-	210.72
Others	1,041.92	-	3.75	-	1,045.67
Dispute due MSME	-	-	-	-	-
Dispute Due others	-	-	-	-	-
TOTAL	1,252.64	-	3.75	-	1,256.39

Note No. 31							
Trade Receivable Ageing as at 31st March, 2024							
Sr. No.	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed Trade Receivable-Consider Good	4,360.56	602.67	341.07	-	37.92	5,342.22
2	Undisputed Trade Receivable-which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable-Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
	TOTAL	4,360.56	602.67	341.07	-	37.92	4,971.33
Trade Receivable Ageing as at 31st March, 2023							
Sr. No.	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed Trade Receivable-Consider Good	4,144.60	471.49	314.64	2.68	37.92	4,971.33
2	Undisputed Trade Receivable-which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable-Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
	TOTAL	4,144.60	471.49	314.64	2.68	37.92	4,971.33

Note No. 32			
Corporate Social Responsibility (CSR) Activity			
(Rs. in Lakhs)			
Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Amount required to be spent by the Company during the year	66.45	51.14
2	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	-	-
	ii) On purpose of other than (i) above	107.88	135.10
3	Shortfall at the end of the year	-	(6.89)
4	Total of Previous year shortfall	-	77.07
5	Reason for shortfall	There is no shortfall remaining.	
6	Nature of CSR activities	Promotion and development of traditional art and handicrafts, training to promote rural sports, promotion of education, promotion of health care etc.	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	There are no CSR transactions related parties.	

In terms of Amendment to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the CSR Rules 2021) effective from 22nd January, 2021, if a Company fails to spend the prescribed CSR amount during the year and such unspent amount pertains to any ongoing project, the Company shall transfer the unspent amount to a special bank account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account within a period of 30 days from the end of the relevant financial year. There is no unspent amount under CSR as on 31st March, 2024.

Note No. 33							
Ratio's							
Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance	Remark for variance more than 25%
				31 st March, 2024	31 st March, 2023		
1	Current Ratio (In times)	Current Assets	Current Liabilities	2.85	2.22	28.38%	Due to good recovery C/C limit utilisation was very low
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.23	0.11	109.09%	Loan awaited for expansion of facilities
3	Debt Service Coverage Ratio (In times)	Net Operating Income	Debt Service	2.70	3.13	(13.74%)	-
4	Return on Equity (ROE) (%)	Net Income	Average Shareholder's Equity	18.36	26.66	(31.13%)	Due to slow down in one of the segment revenue was impacted
5	Inventory Turnover Ratio (In times)	Cost of Goods Sold	Average Inventory	7.31	8.64	(15.39%)	-
6	Trade Receivables Turnover Ratio (In times)	Net Sales	Average Trade Receivables	4.00	4.55	(12.09%)	-
7	Trade Payables Turnover Ratio (In times)	Net Credit Purchase	Avg Trade Payables	7.76	7.95	(2.39%)	-
8	Net Capital Turnover Ratio (In times)	Net Sales	Working Capital	2.97	4.58	(17.74%)	-
9	Net Profit Ratio (%)	Net Profit	Total Income	12.24	14.88	(17.74%)	-
10	Return on Capital Employed (ROCE)(%)	Earning Before Interest and Taxes	Capital Employed	25.76	34.13	(24.52%)	-
11	Return on Investment (%)	Net Income	Cost of Investment	18.46	4.77	(286.00%)	Initially debt was very low

Note No.34 : Other Statutory Information

- 1) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 2) The Company does not have any transactions with struck off companies.
- 3) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 5) There are no such immovable properties which are not held in the name of the Company except lease hold land from MIDC.
- 6) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 7) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 8) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 9) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note No. 35:

The code of Social Security, 2020 (code) relating to employee benefits during employment and post-employment received Presidential assent in September, 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once it is effective.

Note No. 36:

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification disclosure.

As per our report of even date attached

For M/s.A R N A & Associates.

Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri

Partner

Membership No.:111576

UDIN : 24111576BKFBCY1320

Place : Kolhapur

Date : 18th July, 2024

NITIN MENON

Executive Chairman

DIN: 00692754

ARUN ARADHYE

Whole Time Director & CFO

DIN : 03052587

R. D. DIXIT

Managing Director

DIN : 00626827

MANMAY KALYANKAR

Company Secretary

Membership No: A29264



Independent Auditor's Report

**TO
THE MEMBERS OF
MENON BEARINGS LIMITED**

Report on the Consolidated Ind AS Financial Statements.

We have audited the accompanying Consolidated Ind AS financial statements of MENON BEARINGS LIMITED (“the Holding company”) & Menon Brakes Limited (formerly known as Menon Brakes Private Limited), Menon Alkop Limited and Menon Bearings New Ventures Limited (its fully owned subsidiary companies) which comprise the Consolidated Balance Sheet as at 31st March 2024, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Companies Act, 2013 (the “Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31st, 2024 and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated financial statements in accordance with the Standards on Auditing (“SA”)s specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (“ICAI”) together with the ethical requirements that are relevant to our audit of the Consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. There are no such matters identified during the audit period.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility and Sustainability Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements, Consolidated financial statements and our auditor's report thereon.

Our opinion on the Consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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Near Khanwilkar Petrol Pump, Nagala Park, Kolhapur - 03

phone +91 9175762650
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In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management and those charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the consolidated state of affairs (financial position), Consolidated profit & loss (financial performance including other comprehensive income), consolidated cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.

The respective Board of Directors of the companies included in the Group are responsible for the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the group are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Consolidated Ind AS financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Ind AS financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating

the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS;

- a) of the Consolidated State of affairs (financial position) of the Group as at March 31, 2024;
- b) of the Consolidated Profit (financial performance including Other Comprehensive Income) for the year ended on that date;
- c) of the Consolidated Cash Flows for the year ended on that date; and
- d) of the consolidated Changes in Equity for the year ended on that date

Report on other Legal and Regulatory Requirements

- 1) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.
- 2) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of Sub-section (11) of Section 143 (3) of the Companies Act, 2013 we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 3) As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) The consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the consolidated Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
 - d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015.
 - e) On the basis of written representations received from the directors of the group as on 31 March, 2024, taken on record by the Board of Directors of the respective companies, none of the directors of the group is disqualified as on 31 March, 2024, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to best of our information and according to the explanations given to us:

- i. The Group does not have any pending litigations which would impact its financial position.
- ii. The Group did not have any long-term contracts including derivatives contracts of which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.
- iv. a) The management of respective companies has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- b) The management respective companies has represented that, to the best of its knowledge and belief, no funds have been received by the Group from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (iv) (a) and (iv) (b) contain any material mis-statement.
- v. The dividend declared or paid during the year by the respective companies in the group is in compliance with Section 123 of the Act.
- vi. Based on our examination which included test checks, the Company, its subsidiaries have used accounting software for maintaining its books of account which has a feature of recording audit trail (edit-log) facility and the same have operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

- vii. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/"CARO") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiaries included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

**For M/S A R N A & Associates
Chartered Accountants**

**Place: Kolhapur
Date : 18th July, 2024**

**Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN : 122293W
UDIN : 24111576BKFBZ7621**

Annexure A to Independent Auditor's Report

The Annexure referred to in our Report of even date to the members of Menon Bearings Limited on the consolidated accounts of the Company for the year ended 31st March, 2024

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Menon Bearings Limited ("the holding Company") and its subsidiary companies as of March 31, 2024 in conjunction with our audit of the consolidated Ind AS financial statements of the Holding Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiaries are responsible for establishing and maintaining internal financial controls based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (hereinafter "ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls, and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A Group's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external

purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that;

- I. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- II. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- III. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Holding Company and its subsidiaries has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31st, 2024, based on;

- i. existing policies and procedures adopted by the Holding Company and its subsidiary's for ensuring orderly and efficient conduct of business.
- ii. continuous adherence to Holding Company and its subsidiary's policies.
- iii. existing procedures in relation to safeguarding of Holding Company and its subsidiary's fixed assets, investments, inventories, receivables, loans and advances made and cash and bank balances.
- iv. existing system to prevent and detect fraud and errors.
- v. accuracy and completeness of Holding Company and its subsidiary's accounting records; and
- vi. existing capacity to prepare timely and reliable financial information.

**For M/S A R N A & Associates.
Chartered Accountants**

**Place : Kolhapur
Date : 18th July 2024**

**Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN: 122293W
UDIN:- 24111576BKFCZ7621**

Consolidated Balance Sheet as at 31st March, 2024 (Rs. in Lakhs)

SR. NO.	PARTICULARS	NOTE NO.	31.03.2024 AUDITED	31.03.2023 AUDITED
A	ASSETS -			
1	Non-Current Assets			
	(a) Property, Plant and Equipment	02	8,025.15	7,645.29
	(b) Capital Work-In-Progress	28	1,412.30	829.71
	(c) Investments	03	369.04	128.84
	(d) Financial Assets			
	(i) Security Deposit	04	173.66	119.64
	Total Non-Current Assets		<u>9,980.15</u>	<u>8,723.48</u>
2	Current Assets			
	(a) Inventories	05	2,284.11	2,163.75
	(b) Financial Assets			
	(i) Trade Receivables	06	5,494.22	4,971.33
	(ii) Cash and Cash Equivalents	07	2,422.07	1,137.23
	(iii) Bank Balance other than (ii) above	07	178.14	179.49
	(iv) Loans & Advances	08	121.65	108.17
	(c) Other Current Assets	08	214.98	70.19
	Total Current Assets		<u>10,715.17</u>	<u>8,630.16</u>
	TOTAL ASSETS		<u>20,695.32</u>	<u>17,353.64</u>
B	EQUITY AND LIABILITIES			
1	Equity			
	(a) Equity Share Capital	09	560.40	560.40
	(b) Other Equity	10	13,929.98	12,771.55
	Total Equity		<u>14,490.38</u>	<u>13,331.95</u>
	Liabilities			
2	Non- Current Liabilities			
	(a) Financial Liabilities			
	(i) Long-Term Borrowings	11	1,874.07	579.31
	(ii) Lease Liability	11	86.39	-
	(b) Deferred Tax Liabilities (Net)	12	384.68	366.83
	Total Non-Current Liabilities		<u>2,345.14</u>	<u>946.14</u>
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Short- Term Borrowings	13	1,489.25	885.19
	(ii) Trade Payables	14	1,285.30	1,256.39
	(iii) Other Financial Liabilities	15	645.26	734.93
	(b) Other Current Liabilities	16	439.99	199.03
	Total Current Liabilities		<u>3,859.80</u>	<u>3,075.55</u>
	TOTAL EQUITY AND LIABILITIES		<u>20,695.32</u>	<u>17,353.64</u>
	Significant Accounting Policies and Notes to Accounts	1		

As per our report of even date attached
For M/s. ARNA & Associates, Chartered Accountants

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFBCZ7621

Place : Kolhapur
Date : 18th July, 2024

For and on behalf of the Board of Directors

NITIN MENON
Executive Chairman
DIN: 00692754

R. D. DIXIT
Managing Director
DIN : 00626827

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Consolidated Statement of Profit & Loss

for the year ended on 31.03.2024

(Rs. in Lakhs)

SR. NO.	PARTICULARS	NOTE NO.	31.03.2024 AUDITED	31.03.2023 AUDITED
i	Net - Revenue from Operations	17	21,075.25	21,694.01
ii	Other Operating Revenue	18	186.69	242.27
iii	Other Income	19	180.33	50.07
1	Total Revenue (i+ii+iii)		<u>21,442.27</u>	<u>21,986.35</u>
2	Expenses			
	Cost of Materials Consumed	20	8,279.91	8,832.53
	Changes in Inventories of Finished Goods, Work in Progress and Stock-in- Trade	21	(115.73)	(79.72)
	Employee Benefits Expense	22	1,913.00	1,741.74
	Finance Costs	23	326.74	291.06
	Depreciation and Amortization Expense	02	871.21	791.56
	Operating and Other Expenses	24	6,853.22	6,158.40
	Total		<u>18,128.35</u>	<u>17,735.57</u>
3	Profit Before Exceptional and Extraordinary Items and Tax (1-2)		<u>3,313.92</u>	<u>4,250.78</u>
4	Exceptional Items		-	-
5	Profit Before Tax (3-4)		<u>3,313.92</u>	<u>4,250.78</u>
6	Tax Expense:			
	(1) Current Tax	25	855.00	1,050.00
	(2) Deferred Tax	25	23.42	(59.40)
7	Profit/(Loss) for the period from Continuing Operations (5 -6)		<u>2,435.50</u>	<u>3,260.18</u>
8	Other Comprehensive Income Items that will not be reclassified to profit or loss			
	(i) Re-Measurement gains / (losses) on defined benefit plans	26	(21.74)	(7.69)
	(ii) Income tax effect on above		5.57	1.97
	Total Other Comprehensive Income		(16.17)	(5.72)
9	Total Comprehensive Income for the period (7+8)		<u>2,419.33</u>	<u>3,254.46</u>
10	Paid-up Equity Share Capital (Face Value or Re.1 each fully paid up)		560.40	560.40
11	Earnings Per Equity Share (EPS) (Face Value of Re.1 each)			
	(i) Basic (in Rs.) (not annualised)		4.35	5.82
	(ii) Diluted (in Rs.) (not annualised)		4.35	5.82

As per our report of even date attached
For M/s. A R N A & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFBCZ7621

Place : Kolhapur
Date : 18th July, 2024

NITIN MENON
Executive Chairman
DIN: 00692754

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

R. D. DIXIT
Managing Director
DIN : 00626827

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Consolidated Cash Flow Statement for the year ended on 31st March 2024

(Rs. in Lakhs)

SR. NO.	PARTICULARS	31.03.2024 AUDITED	31.03.2023 AUDITED
1	Profit After Tax & Adjustments for	2,419.33	3,254.47
	Deferred Tax	23.42	(59.41)
	Tax on OCI	(5.57)	(1.97)
	Preliminary Expenses	-	11.78
	Interest (Net)	214.55	247.14
	Profit / (Loss) on Sale of Assets	-	(17.17)
	Profit / (Loss) on Fair Valuation of Mutual Fund	(68.14)	(6.15)
	Add:- Depreciation & Amortization	871.21	791.56
	<u>Operating Profit before W/C Changes</u>	<u>3,454.79</u>	<u>4,220.26</u>
	Changes in Working Capital		
	<u>Current Assets</u>		
	Inventories	(120.35)	(41.27)
	Trade Receivables	(522.89)	125.82
	Short Term Loans Advances	(13.47)	55.57
	Other Current Assets	(144.79)	23.42
	<u>Current Liabilities</u>		
	Trade Payables	28.90	(62.99)
	Other Current Liabilities	(89.67)	(159.22)
	Short Term Provisions	240.95	847.19
	<u>Cash From Operating Activities</u>	<u>2,833.48</u>	<u>5,008.78</u>
2	Cash From Investing Activities		
	Purchase of Fixed Assets	(1,251.07)	(565.82)
	Change in CWIP	(582.59)	(829.31)
	Net Cash Flow From Fixed Assets	(1,833.66)	(1,395.13)
	Profit on Sale of Assets	-	17.17
	Profit on Investments	68.14	6.15
	Investments	(240.20)	(953.84)
	Security Deposits	(54.03)	(13.38)
	Interest Received	112.19	43.92
	<u>Cash From Investing Activities</u>	<u>(1,947.56)</u>	<u>(2,295.12)</u>
3	Cash Flow from Financing Activities		
	Change in Short Term Borrowing	604.06	(778.70)
	Change in Long Term Borrowing	1,294.77	(85.02)
	Lease Liability	86.39	-
	Issue of Shares	-	825.00
	Share Subscription Receivable	-	(813.21)
	Interest Paid	(326.74)	(291.06)
	Preliminary Expenses	-	(11.78)
	Dividend Paid	(1,260.90)	(1,120.80)
	<u>Cash Flow from Financing Activities</u>	<u>397.58</u>	<u>(2,275.57)</u>
	Total Cash Flow	1,283.50	438.09
	Add:- Opening Cash & Cash Equivalents	1,316.72	878.63
	<u>Closing Cash & Cash Equivalents</u>	<u>2,600.22</u>	<u>1,316.72</u>

As per our report of even date attached
For M/s. A R N A & Associates, Chartered Accountants

For and on behalf of the Board of Directors

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFBZ7621

NITIN MENON
Executive Chairman
DIN: 00692754

R. D. DIXIT
Managing Director
DIN : 00626827

Place : Kolhapur
Date : 18th July, 2024

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

MANMAY KALYANKAR
Company Secretary
Membership No: A29264

Notes to the Consolidated Financial Statements

Note No. 1

for the year ended on 31st March, 2024

SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS), under historical cost convention basis except for certain financial instruments which are measured at fair value as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

Principles of Consolidation:

1. The financial statements of the Holding Company and its subsidiaries are combined on a line by line basis by adding together like items of assets, liabilities, equity, incomes, expenses and cash flows, after fully eliminating intra-group balances and intra-group transactions.
2. Profits or losses resulting from intra-group transactions that are recognised in assets, such as Inventory and Property, Plant and Equipment, are eliminated in full.
3. The differences in accounting policies of the Holding Company and its subsidiaries are not material.
4. The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances
5. The carrying amount of the parent's investment in subsidiary is offset (eliminated) against the parent's portion of equity in subsidiary.
6. The Company has three subsidiaries i.e Menon Brakes Limited, Menon Alkop Limited and Menon Bearings New Ventures Limited which are fully owned subsidiaries and does not have any minority interests.

Disclosures under Ind AS are made only in respect of material items and in respect of the items that will be useful to the users of financial statements in making economic decisions.

The consolidated financial statements for the year ended 31st March, 2024 (including comparatives) are duly adopted by the Board on **18th July, 2024** for consideration and approval by shareholders.

II. Summary of Accounting Policies :

1) Overall Considerations

The financial statements have been prepared applying the significant accounting policies and measurement basis summarized below.

2) Revenue Recognition

Revenue is measured at fair value of the consideration received or receivable and net of returns, trade allowances and rebates and amounts collected on behalf of third parties. It excludes Excise Duty and GST.

i. Sale of Products:

Revenue from sale of products is recognised when significant risks and rewards of ownership pass to the customers, as per the terms of the contract and when the economic benefits associated with the transactions will flow to the Company.

ii. Interest Income:

Interest incomes are recognized using the time proportion method based on the rates implicit in the transaction. Interest income is included in other income in the statement of profit and loss.

3) Property, Plant and Equipment

i. Freehold Land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes:

- a. Purchase Price
- b. Taxes and Duties (to the extent not set-off as ITC)
- c. Labour Cost and
- d. Directly attributable overheads incurred up to the date the asset is ready for its intended use. However, cost excludes Excise Duty and GST to the extent credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

ii) Component Accounting:

The component of assets are capitalized only if the life of the components vary significantly and whose cost is significant in relation to the cost of the respective asset, the life of the component in assets are determined based on technical assessment and past history of replacement of such components in the assets. The carrying amount of any component accounted for as separate asset is derecognised when replaced.

iii) Other Cost:

All other repairs and maintenance cost are charged to the statement of profit and loss during the reporting period in which they are incurred.

Profit or Losses on disposals are determined by comparing proceeds with the carrying amount. These are included in the Statement of Profit and Loss within other income/ (loss).

iv) Depreciation and Amortization:

a) Depreciation is recognized on a straight-line basis, over the useful life of the buildings and other equipment's as prescribed under Schedule II of the Companies Act, 2013.

b) Depreciation on tangible fixed assets is charged over the estimated useful life of the asset or part of the asset as evaluated on technical assessment on straight line method, in accordance with Part A of Schedule II to the Companies Act, 2013

c) The estimated useful life of the tangible fixed assets on technical assessment followed by the Company is furnished below:

Description	Range of Useful Lives in years
Buildings	30 - 60
Plant & Equipment	10 - 15
Furniture & Fixtures	08 - 10
Office Equipments	03 - 06
Vehicles	08 - 10

Material residual value estimates and estimates of useful life are assessed as required.

d) The residual value for all the above assets are retained at 5% of the cost. Residual values and useful lives are reviewed and adjusted, if appropriate, for each reporting period.

e) On tangible fixed assets added/disposed off during the year, depreciation is charged on pro-rata basis for the period for which the asset was purchased and used.

4) Impairment:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

In respect of assets whose impairment are to be assessed with reference to other related assets and such group of assets have independent cash flows (Cash Generating Units), such assets are grouped and tested for impairment.

Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

5) Lease

i) Assets taken on Lease:-

The Company, at the inception of a contract, assesses whether the contract is a lease or not a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. The Company has elected not to recognise Right-of-use Assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets and the corresponding lease rental paid are directly charged to the Statement of Profit and Loss. There are no such leases during the year. The Company recognises the lease payments associated with these leases as an expense over the lease term. The Company recognises a Right-of-use Asset and a lease liability at the lease commencement date. The Right-of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial costs incurred. The Right-of-use Asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Company's incremental borrowing rate. Subsequently, lease liabilities are measured on amortised cost basis. Associated costs, such as maintenance and insurance, are expensed.

ii) Decommissioning charges in respect of properties like Plant and Equipment, Furniture & Fixtures and Office Equipment's presently located in land taken on lease are not provided for as it is impractical to

estimate the sum that will be incurred at the time the lease comes to end. Further there is also likelihood of the lessor renewing the lease.

6) Financial Assets Classification and Subsequent Measurement of Financial Assets:

- i) For the purpose of subsequent measurement, financial assets are classified and measured based on the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset at:
 - a) Those to be measured subsequently at Fair Value either through Other Comprehensive Income (Fair Value through Other Comprehensive Income-FVTOCI) or through Profit or Loss (Fair Value through Profit and Loss-FVTPL) and;
 - b) Those measured at Amortized Cost
- 1. Financial Assets at Amortised Cost includes assets that are held within a business model where the objective is to hold the financial assets to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

These assets are measured subsequently at amortized cost using the effective interest method. The loss allowance at each reporting period is evaluated based on the expected credit losses for next 12 months and credit risk exposure.

The Company also measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition.

- 2. Financial Assets at Fair Value Through Other Comprehensive Income (FVTOCI) : There are no such asset.
- 3. Financial Assets at Fair Value Through Profit or Loss (FVTPL)

The Company has investment in shares which are fair valued through Profit & Loss account. Any transaction cost on the same are income to Profit & Loss account. The total Profit due to Net Gain on Investments in mutual funds shares is Rs. 68,14,388/- (Previous Year Rs. 6,15,120/-)

ii. Impairment of Financial Assets:

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

iii. Derivative Financial Instruments and Hedge Accounting:

There are no such transactions.

iv. Trade Receivables

The Company follows 'Simplified Approach' for recognition of impairment loss allowance based on lifetime Expected Credit Loss at each reporting date, right from its initial recognition.

v. Derecognition of Financial Assets

A financial asset is derecognised only when;

- a) The Company has transferred the rights to receive cash flows from the financial asset or

7) Financial Liabilities:

i. Classification, Subsequent Measurement and Derecognition of Financial Liabilities

a. Classification

Financial Liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. The Company's financial liabilities include borrowings & trade and other payables.

b. Subsequent Measurement

Financial Liabilities are measured subsequently at amortized cost using the effective interest method. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

c. Derecognition

A financial Liability is derecognised when the obligation under the liability is discharged or cancelled or has expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

8) Inventories

Inventories are valued at lower of cost or net realizable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated cost of completion and the estimated costs necessary to make the sale. Cost is ascertained on weighted average basis in accordance with the method of valuation prescribed by the Institute of Chartered Accountants of India.

i. Raw Materials

Raw Materials are valued at cost of purchase, net of duties (credit availed w.r.t taxes and duties) and includes all expenses incurred in bringing the materials to location of use.

ii. Work-in-Process and Finished Goods

Work-in-Process and Finished Goods include conversion costs in addition to the landed cost of raw materials.

iii. Stores and Spares

Stores, Spares and Tools Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

9) Income Taxes

Tax expense recognized in the statement of profit or loss comprises the sum of deferred tax and current tax not recognized in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income taxes are calculated using the liability method on temporary differences between tax bases of assets and liabilities and their carrying

amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognised in other comprehensive income (OCI) are disclosed under OCI.

Deferred tax assets are recognized to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilized against future tax liability. This is assessed based on the Company's forecast of future earnings, excluding non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognized in full, although Ind AS 12 'Income Taxes' specifies some exemptions. As a result of these exemptions the Company does not recognize deferred tax liability on temporary differences relating to goodwill, or to its investments in subsidiaries.

10) Post-Employment Benefits and Short-Term Employee Benefits

i. Short Term Obligations:

Short term obligations are those that are expected to be settled fully within 12 months after the end of the reporting period. They are recognised up to the end of the reporting period at the amounts expected to be paid at the time of settlement.

ii. Other Long Term Employee Benefits Obligations:

The liabilities for earned leave are not expected to be settled wholly within 12 months after end of the period in which the employees render the related service. They are, therefore, recognised and provided for at the present value of the expected future payments to be made in respect of services provided by employee up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in Other Comprehensive Income (OCI).

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii. Post-Employment Obligation:

The Company operates the following post-employment schemes:

a) **Defined Contribution Plan such as Gratuity & Provident Fund**

Gratuity Obligation:

The company has created The Employees Group Gratuity Fund which has taken Gratuity Cum Life Insurance Policy from LIC of India. Premium on said policy is calculated by LIC & Conveyed to us on the basis of Project Unit Credit Method. The same is accounted for in books of accounts.

Provident Fund:

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees salary. The provident fund contributions are made to EPFO.

Bonus Payable:

The Company recognises a liability and an expense for bonus. The Company recognises a provision

where contractually obliged or where there is a past practice that has created a constructive obligation.

11) Provisions and Contingent Liabilities

i. Provisions:

A provision is recorded when the Company has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are evaluated at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii. Contingent Liabilities:

Whenever there is possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognised because (a) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or (b) the amount of the obligation cannot be measured with sufficient reliability are considered as contingent liability. Show cause notices are not considered as Contingent Liabilities unless converted into demand.

iii. Contingent Assets:

The Company does not recognise contingent assets. If it is virtually certain then they will be recognised as asset. These are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

12) Earnings Per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares). For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are considered for the effects of all dilutive potential equity shares.

13) Cash and Cash Equivalents and Cash Flow Statement:

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within three months from the date of acquisition and which are readily convertible into cash and which are subject to only an insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit/(loss) before tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In the cash flow statement, cash and cash equivalents include cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of three months or less.

14) Segment Reporting:

The Company operates in one business segment namely "Auto Components". Hence reporting under this standard is not applicable.

15) Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is necessary to complete and prepare the asset for its intended use or sale. Other borrowing costs are expensed in the period in which they are incurred under finance costs. During the year, the company has capitalised borrowing costs of Rs.NIL

16) Related Party Disclosures as per IND AS 24

Following are the related parties: -

(Rs. in Lakhs)

Sr. No	Name of Party	Relation	Nature of Transaction	Current Year 31.03.2024 Amount	Previous Year 31.03.2023 Amount
1.	Mani Auto Components	Mr. Nitin Menon is a Partner	Sales	2,267.83	3,046.95
			Service Charges	105.36	95.66
2.	Menon United Pvt. Ltd.	Mr. Nitin Menon is a Chairman	Corporate Services	28.44	28.44
3.	Flyga Auto Pvt.Ltd.	Mr. Nitin Menon is a Chairman	Purchase of Car	-	56.46
			Motor Vehicle Repairs Charges	10.84	7.66
4.	Flyga Resorts Pvt. Ltd.	Mr. Nitin Menon is a Chairman	Purchase of Material	11.73	7.24
5.	Menon Brakes Ltd.	Wholly Owned Subsidiary	Purchase of Equity Shares	-	825.00
			Advance	342.55	-
6.	Menon Alkop Ltd.	Wholly Owned Subsidiary	Purchase of Equity Shares	1.00	-
			Preliminary Expenses	11.80	-
7.	Menon Bearings New Ventures Ltd..	Wholly Owned Subsidiary	Purchase of Equity Shares	1.00	-
			Preliminary Expenses	12.81	-
8.	Sunshine Acres	Mr. Nitin Menon is a Partner	Services	2.43	4.18
9.	Mr. R. D. Dixit	Managing Director	Remuneration	56.00	43.35
10.	Mr. Nitin Menon	Executive Chairman	Remuneration	223.90	185.55
11.	Mr. Arun Aradhye	Whole time Director & CFO	Director's Remuneration	73.48	63.61
12.	Mr. Aditya Menon	Son of Executive Chairman	Salary	32.33	30.87
13.	Mr. Anshul Menon	Son of Executive Chairman	Rent	19.19	21.72
			Salary	4.31	3.34
14.	Mrs. Sucheta Menon	Spouse of Executive Chairman	Rent	5.00	-
15.	Mr. M. L. Shinde	Independent Director	Sitting Fees	0.30	0.20
16.	Mrs. Kailash Nevagi	Independent Director	Sitting Fees	0.30	0.15
17.	Dr. Santosh Prabhu	Independent Director	Sitting Fees	0.30	0.20

Notes:

- a. Mr. Nitin Menon – Executive Chairman, Mr. R. D. Dixit – Managing Director and Mr. Arun Aradhya - Whole time Director & CFO, are employees of the Company. Mr. M. L. Shinde, Mrs. Kailash Nevagi and Dr. Santosh Prabhu, the Independent Directors are not paid any remuneration, only sitting fees are paid to them. The salary, perquisites and remuneration paid are disclosed under Report on Corporate Governance (point no. 8.3) as details of Remuneration and Sitting Fees paid to Directors.
- b. Apart from above mentioned parties, following parties are also related parties of the Company. However, no significant transactions took place with these parties during the year.
1. Flyga Hotels Pvt. Ltd. (Formerly known as Menon Signature Pvt. Ltd.)
 2. Give Artisans Trust.
- c. Mr. Nitin Menon & Menon United Pvt .Ltd. hold 10% or more shares in the Company.

17) Government Grants:

The Company has a policy to recognize Government Grants only when-

- i) It has complied with the conditions attached to it and
- ii) there is a reasonable assurance that it will be received. Grants related to assets are presented in the Balance Sheet as deferred income and recognized in Profit and Loss account on systematic basis over the useful life of the asset. Currently there are no such grants. Grants related to income are presented as part of Profit and Loss account under “Other Operating Revenue”. Grants related to duty drawback refunds are accounted on receipt basis as the time frame within which it will be received cannot be estimated. Government Grant in the form of duty drawback accounted during the year is Rs. 82,06,953/- (Previous Year Rs. 64,70,386/-)

18) Events occurring after Balance Sheet Date: -

The company by Special Resolution passed through Postal Ballot on 28.04.2024 and approved the Transfer/ Slum Sale of the Aluminium Die- Casting Unit along with its identified Assets & Liabilities on fair valuation basis to its Wholly Owned Subsidiary “Menon Alkop Limited”. The transaction will be completed after receipt of regulatory approval consequently. This disclosure is made in accordance with Ind AS -10. “Events after Reporting Period”. The results of Aluminium Die Casting Division included in financial results are as follows.

Particulars	31.03.2024	31.03.2023
Total Income	65,34,92,827/-	60,13,72,316/-
Total Expenses	54,82,94,841/-	49,86,01,931/-
Profit / (Loss) Before Tax from Discontinued Operations	10,51,97,986/-	10,27,70,385/-

III. Significant management judgment in applying accounting policies and estimation of Uncertainty

While preparing the financial statements, management has made a number of judgments, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

(i) Significant Management Judgment

The following are significant management judgments in applying the accounting policies of the Company that have significant effect on the financial statements.

Recognition of Deferred Tax Assets/Liability

The extent to which deferred tax assets/Liability can be recognized is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forwards can be utilized. In addition, careful judgment is exercised in assessing the impact of any legal or economic limits or uncertainties in various tax issues.

(ii) Estimation of Uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is mentioned below. Actual results may be different.

a. Impairment of Non-Financial Assets

in assessing impairment, management has estimated economic usefulness of the assets, the recoverable amount of each asset or cash-generating units based on expected future cash flows and use of an interest rate to discount them. Estimation of uncertainty relates to assumptions about economically future operating cash flows and the determination of a suitable discount rate.

b. Useful Lives of Depreciable Assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technological obsolescence that may change the utility of assets including Intangible Assets.

c. Inventories

Management has carefully estimated the net realizable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realization of these inventories may be affected by market-driven changes.

d. Defined Benefit Obligation (DBO)

Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses (as analysed in Note No. 26 & 27).

e. Current and Non-Current Classification

All assets and liabilities have been classified as Current or Non-Current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

NOTES OF FINANCIAL STATEMENT FOR YEAR ENDING 31.03.2024 (CONTD.)														
Note No. 02 FIXED ASSETS														
PROPERTY, PLANT AND EQUIPMENT F.Y. 2023-2024 (Rs. in Lakhs)														
Sr. No	Particulars	Years	GROSS BLOCK				DEPRICIATION						NET BLOCK	
			Opening Balance	Additions	Deletions	Total	Upto	On Opening	On Additions	For the Year	Adjustments	Total	As on 31.03.24	As on 31.03.23
A. Tangible Assets														
1	Land (Lease Hold)	-	824.35	-	-	824.35	66.30	10.35	-	10.35	-	76.65	747.71	758.05
2	Land (Free Hold)	-	36.76	-	-	36.76	-	-	-	-	-	-	36.76	36.76
3	Site Development	-	504.18	-	-	504.18	9.85	1.97	-	1.97	-	11.82	494.35	494.32
4	Building	30	2,591.26	38.58	-	2,629.85	755.71	76.70	0.04	76.74	-	832.45	1,797.40	1,835.55
5	Plant and Machinery	15	9,341.66	872.65	-	10,214.31	5,846.32	499.86	49.38	549.24	-	6,395.56	3,818.75	3,495.34
6	Electrical Installation	10	421.11	42.75	-	463.85	273.78	18.73	2.61	21.33	-	295.11	168.74	147.33
7	Tools and Implements	15	1,010.85	106.88	-	1,117.73	593.35	80.80	14.65	95.45	-	688.80	428.93	417.50
8	Material Handling Equipments	15	130.95	0.59	-	131.53	90.25	17.62	0.21	17.83	-	108.09	23.45	40.69
9	Fire Fighting	15	100.65	1.69	-	102.33	28.61	9.94	0.13	10.07	-	38.68	63.65	72.04
10	Effluent Treatment Plant	15	96.19	-	-	96.19	66.68	2.96	0.90	3.86	-	70.55	25.65	29.51
11	Office Equipments	5	110.21	2.00	-	112.20	79.25	10.16	0.23	10.39	-	89.64	22.57	30.96
12	Miscellaneous Assets	15	26.75	8.01	-	34.76	16.37	0.95	0.27	1.22	-	17.59	17.16	10.37
13	Computers	6	81.62	6.91	-	88.53	72.08	2.27	0.89	3.16	-	75.24	13.28	9.54
14	Furniture	10	219.07	20.83	-	239.90	128.72	12.92	0.18	13.10	-	141.82	98.08	90.35
15	Vehicle	8	371.63	29.82	0.50	400.95	204.16	32.03	2.44	34.48	-	238.63	162.31	167.47
16	Electrical Forklift	15	8.50	-	-	8.50	3.95	0.54	-	0.54	-	4.49	4.01	4.55
17	Lease Assets	8	-	116.22	-	116.22	-	-	19.40	19.40	-	19.40	96.82	-
	TOTAL	-	15,875.72	1,246.93	0.50	17,122.15	8,235.38	777.81	91.39	869.14	-	9,104.51	8,017.63	7,640.34
	Previous Year Amount	-	15,345.58	633.41	103.27	15,875.72	7,480.54	760.90	29.10	790.00	35.16	8,235.38	7,640.34	7,865.04
B. Intangible Assets														
1	Technical Know-how	3	52.45	-	-	52.45	52.45	-	-	-	-	52.45	-	-
2	Computers Software	3	77.39	4.64	-	82.03	72.44	1.42	0.66	2.07	-	74.52	7.51	4.95
	TOTAL	-	129.83	4.64	-	134.48	124.89	1.42	0.66	2.07	-	126.96	7.51	4.95
	Previous Year Amount	-	129.32	0.52	-	129.83	123.33	1.47	0.09	1.56	-	124.89	4.95	5.99

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No.03		
c) Investments		
1) Investment in Mutual Funds (unquoted)		
● Kotak Emerging Equity Fund Growth Plan – 27,775.374 Units (Previous Year 6,499.322 Units)	28.46	4.81
● Kotak Equity Opportunities Regular Fund Growth Plan – 3,111.273 Units (Previous Year Nil Units)	8.91	-
● Kotak Multicap Regular Fund Growth Plan – 53,246.611 Units (Previous Year Nil Units)	8.69	-
● ICICI Balanced Advantage Fund Growth Plan – 1,28,681.238 Units (Previous Year 68,672.544 Units)	82.94	36.07
● ICICI India Opportunities Fund Growth Plan – 59,157.764 Units (Previous Year 34,358.306 Units)	17.50	6.70
● ICICI Business Cycle Fund Growth Plan – 85,236.425 Units (Previous Year 48,955.807 Units)	17.75	6.62
● Nippon India Large Cap Fund Growth Plan – 98,153.162 Units (Previous Year 54,208.994 Units)	76.74	29.27
● Nippon India Flexi Cap Fund Growth Plan – 65,370.313 Units (Previous Year 46,867.559 Units)	9.42	4.81
● Nippon Balanced Advantage Fund Growth Plan – 72,336.923 Units (Previous Year 32,403.068 Units)	118.63	40.56
<u>TOTAL</u>	<u>369.04</u>	<u>128.84</u>
Note No.04		
(i) Long Term - Security Deposit		
Telephone Deposit	0.70	0.70
MSEDCL Deposit	170.17	116.15
Water Deposit	2.79	2.79
<u>TOTAL</u>	<u>173.66</u>	<u>119.64</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No.05		
Current Assets -		
(a) Inventories		
a) Raw Material	532.01	642.89
b) Stores & Spares	327.97	212.45
c) Finished Goods	1,004.14	938.95
d) Work in Process	419.99	369.46
TOTAL	<u>2,284.11</u>	<u>2,163.75</u>
Note No.06		
(b) Financial Assets -		
(I) Trade Receivables		
(Unsecured, Considered Good)		
Outstanding for a period exceeding 6 months	905.14	702.90
Other Debts	4,589.08	4,268.43
TOTAL	<u>5,494.22</u>	<u>4,971.33</u>
Note No.07		
(ii) Cash and Cash Equivalents		
Cash in Hand	1.60	1.76
(iii) Bank Balance other than (ii) above		
i) In Current A/c	91.02	92.27
ii) In Fixed Deposits & Recurring Deposit	2,329.45	1,043.20
TOTAL	<u>2,422.07</u>	<u>1,137.24</u>
iii) Other Bank Balances		
Earmarked Balances with Banks- Dividend Warrant Accounts	178.14	179.49
TOTAL	<u>178.14</u>	<u>179.49</u>
Note No.08		
(iv) Loans - Short -Term Loans & Advances		
Other Advance	10.47	1.83
Staff Advance	15.51	15.35
Interest accrued but not received	18.16	18.16
Other Deposits	27.94	9.91
Prepaid Expenses	48.04	28.57
Advance Income Tax	1.53	34.35
TOTAL	<u>121.65</u>	<u>108.17</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023		
c) Other Current Assets				
GST Amount Receivable	145.54	-		
Advance to Suppliers	69.44	70.19		
TOTAL	<u>214.98</u>	<u>70.19</u>		
EQUITY AND LIABILITIES				
Note No.09				
Equity				
(a) Equity Share Capital				
Authorised:				
10,10,00,000 Equity Shares of Re.1 each fully paid (Previous Year 10,10,00,000 Equity Shares of Re.1 each)	1,010.00	1,010.00		
Issued,Subscribed and Paid-Up :				
5,60,40,000 Equity Shares of Re.1 each fully paid (Previous year 5,60,40,000 Equity Shares of Re.1 each fully paid)	560.40	560.40		
TOTAL	<u>560.40</u>	<u>560.40</u>		
Name of the Shareholder	31.03.2024		31.03.2023	
	%	No. of Shares	%	No. of Shares
Nitin Ram Menon	29.29	1,64,16,780	30.37	1,70,16,780
Menon United Pvt. Ltd.	24.30	1,36,19,800	24.30	1,36,19,800
Sucheta Nitin Menon	5.00	28,01,964	5.00	28,01,964
Aditya Nitin Menon	5.79	32,44,978	5.79	32,44,978
Anshul Nitin Menon	5.79	32,44,978	5.79	32,44,978
Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023		
Note No. 10				
(b) Other Equity				
General Reserve	1,251.47	1,176.47		
Add : Current Year	75.00	75.00		
Sub-Total	<u>1,326.47</u>	<u>1,251.47</u>		
Capital Reserve	25.00	25.00		
Revaluation Reserve	2.56	2.56		
Profit & Loss Account (Surplus)	12,575.95	11,492.53		
TOTAL	<u>13,929.98</u>	<u>12,771.55</u>		

Particulars		Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023	
Note:				
<i>a. Surplus</i>				
<i>Opening Balance</i>		11,492.53	9,433.86	
<i>Add:- Net Profit for the current period</i>		2,435.50	3,260.18	
<i>Add:- Other Comprehensive Income</i>		(16.17)	(5.72)	
<i>Profit available for appropriation</i>		13,911.86	12,700.21	
<i>Less: Dividend Paid on Equity Shares</i>		1,260.90	1,120.80	
TOTAL		<u>12,650.96</u>	<u>11,567.53</u>	
<i>Less: Transfer to General Reserve</i>		75.00	75.00	
Balance carried forward to Balance Sheet		<u>12,575.96</u>	<u>11,492.53</u>	
LIABILITIES				
Non Current Liabilities				
Note No. 11				
(a) Financial Liabilities				
(i) Long-Term Borrowings				
a) Term Loan from Banks				
Bajaj Finance Ltd		1,874.07	16.41	
HDFC Bank Ltd		-	562.90	
TOTAL		<u>1,874.07</u>	<u>579.31</u>	
Bank Name	Loan Amt in lakhs	Installment Amt. in Lakhs	Loan Amt in lakhs	Installment Amt. in Lakhs
	31.03.2024		31.03.2023	
Bajaj Finance Ltd.	2,200.00	11.42	153.47	11.42
HDFC Bank Ltd.	-	-	899.29	33.65

A) Bajaj Finance Limited:- The previous loan of Bajaj Finance Limited is closed and a fresh loan of Rs.22 Crores is sanctioned. The loan has a moratorium period of 12 months(Interest to be served as and when applied). The total loan tenure is 66 months, including moratorium period. The loan is repayable in 54 equated monthly principal installments starting August 2024. The rate of interest is 9.50%, The loan is secured by charge on entire immovable and movable fixed assets of the company located at B-2, Gokul Shirgaon MIDC & A4/2, Gokul Shirgaon MIDC, Kolhapur. The loan is also secured by personal gaurantee of Mr.Nitin Menon.

(ii) Lease Liability	86.39
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Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 12		
(C) Deferred Tax Liabilities (Net)		
Deferred Tax Liability		
a) Depreciation Opening	391.93	450.69
Add: During the year	0.37	(58.76)
Closing Liability (a)	392.31	391.93
b) Disallowances as per Section 43B & 40(a)of Income Tax Act		
Opening	(15.08)	(10.52)
Add: During the year	14.86	(4.56)
Closing Asset (b)	(0.22)	(15.08)
c) Others Opening	(10.02)	(11.96)
Add:- During the Year	2.61	1.94
Closing Asset (c)	(7.41)	(10.02)
Deferred Tax Liability (Net) (a-b-c)	<u>384.68</u>	<u>366.83</u>
Current Liabilities		
Note No. 13		
(a) Financial Liabilities		
Name of Bank		
HDFC Bank Ltd Cash Credit	1,163.32	411.74
Term Loan Due within 1 Year	325.93	473.45
TOTAL	<u>1,489.25</u>	<u>885.19</u>

Notes:

a) HDFC Bank Ltd. Kolhapur is secured by exclusive charge on entire current assets, movable and immovable fixed assets at Plot No. C-1, Kagal Five Star MIDC and at G-1, MIDC Gokul Shirgaon, Kolhapur and personal guarantee of Mr.Nitin Menon.

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 14		
(ii) Trade Payable		
Trade Payable	1,047.69	1,045.67
Trade Payable (M.S.M.E.)	237.61	210.72
TOTAL	<u>1,285.30</u>	<u>1,256.39</u>

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 15		
(iii) Other Financial Liabilities		
Gratuity Payable	26.65	68.90
Deposit from Customers	37.17	40.57
C.S.R.(Corporate Social Responsibility)	(48.32)	(6.89)
Provision for Expenses	451.62	452.87
Unpaid / Unclaimed Dividend	178.14	179.49
TOTAL	<u>645.26</u>	<u>734.94</u>

Note:

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2024.

Note No. 16		
(b) Other Current Liabilities		
GST Tax Payable – Current Dues	32.06	20.18
Statutory Liabilities	128.18	108.00
Advance From Customers	209.86	37.72
Lease Liability	25.73	
Leave Encashment	44.16	33.13
TOTAL	<u>439.99</u>	<u>199.03</u>
Note No. 17		
Sales		
1. Auto & Aluminum Die Casting Components & Brake Lining	20,848.49	21,472.40
2. Scrap Sale	226.76	221.61
TOTAL	<u>21,075.25</u>	<u>21,694.01</u>
Note No. 18		
Other Operating Revenue		
a) Exchange Difference	22.64	102.19
b) Sale of DEPB License	23.98	7.32
c) Duty Drawback Refund	82.07	64.70
d) Income from Other Source	26.42	24.10
e) Other Income	31.58	26.79
f) Profit on Sale of Fixed Asset	-	17.17
TOTAL	<u>186.69</u>	<u>242.27</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 19 Other Income Income from Non-Current Investments		
a) Interest Received	112.19	43.92
b) Net Gain / (Loss) on Sale of Investment	68.14	6.15
TOTAL	<u>180.33</u>	<u>50.07</u>
Note No. 20 Cost of Materials Consumed Raw Material		
Opening Stock	642.90	712.58
Add : Purchases	8,173.77	8,762.85
Total :	<u>8,816.67</u>	<u>9,475.43</u>
Less: Closing Stock	536.76	642.90
Total :	<u>18,170.11</u>	<u>642.90</u>
Raw Material Consumed TOTAL	<u>8,279.91</u>	<u>8,832.53</u>
Note No. 21 Changes in Stock of Work-in-Process and Finished Goods		
Opening Stock:		
Finished Goods	938.95	934.27
Work in Process	369.45	294.41
TOTAL	<u>1,308.40</u>	<u>1,228.68</u>
Closing Stock :		
Finished Goods	1,004.14	938.95
Work in Process	419.99	369.45
TOTAL	<u>1,424.13</u>	<u>1,308.40</u>
Increase / (Decrease) in Stock	(115.73)	(79.72)
Note No. 22 Employee Benefits Expenses		
Directors Remuneration	353.37	292.52
Salary and Wages	1,400.78	1,287.94
Labour Welfare	36.15	41.08
Contribution to Provident Fund	101.69	100.73
Contribution to Group Gratuity Trust	21.01	19.46
TOTAL	<u>1,913.00</u>	<u>1,741.73</u>

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Note No. 23		
Cost of Finance		
Interest	311.18	272.48
Bank Commission & Other Charges	15.56	18.58
TOTAL	<u>326.74</u>	<u>291.06</u>
Note No. 24		
Operating and Other Expenses		
A] Operating Expenses		
Stores & Spares Consumed	1,588.92	1,457.85
Electricity	1,651.15	1,572.40
Power & Fuel Expense	67.50	72.55
Electric Material	1.16	1.47
Outside Labour Charges	176.77	156.10
Contract Labour Charges	1,714.66	1,468.58
Water Charges	29.95	28.06
Repairs & Maintenance	259.33	210.39
Testing Fees	16.06	9.95
Hamali	6.25	5.95
Machining Charges	12.21	17.35
Total A] Operating Expenses	<u>5,523.96</u>	<u>5,000.65</u>
B] Other Expenses		
Advertisement	11.16	9.97
C.S.R.(Corporate Social Responsibility) Expenses	66.45	51.14
i) Audit Fees	4.95	4.30
ii) For Tax Matters	0.30	-
iii) For Company Law Matters	0.45	-
iv) Other Services	0.51	0.75
Business Expenses	68.85	23.29
Preliminary Expenses	-	11.78
Establishment Expenses	28.44	1.10
Donation	0.12	28.44
Foreign Tour Expenses	0.85	0.94
Freight Outward	353.38	318.07
Insurance	28.07	24.44
Building Repairs	62.11	112.29
Legal & Consultation	81.23	48.37
Misc. Expenses	24.03	20.77
Postage, Telephone	14.11	14.55
Printing & Stationary	15.80	17.67
Rent, Rates and Taxes	56.80	35.26
Sales Promotion Expenses	377.34	306.39
Sitting Fees	0.90	0.55

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Traveling Expenses	107.56	89.52
Loss on Sale of Asset	-	10.71
Vehicle & Conveyance Expenses	25.86	27.45
Total B] Other Expenses	1,329.27	1,157.75
Total [A+B] Operating and Other Expenses	<u>6,853.23</u>	<u>6,158.40</u>
Note No. 25		
Tax Expense		
Current Tax	855.00	1050.00
Deffered Tax	23.42	(59.41)
TOTAL	<u>878.42</u>	<u>990.59</u>
Note No. 26		
Retirement Benefits (Gratuity)		
Valuation Method - Projected Unit Credit Method		
1. Results of Valuation		
a. PV of Past Service Benefit	544.09	98.26
b. Current Service Costs	29.31	29.08
c. Total Service Gratuity	764.14	976.01
d. Accured Gratuity	176.40	511.68
e. LCSA	439.94	454.69
f. LC Premiun	1.65	1.60
GST Tax @ 18 %	0.30	0.29
2. Recommended Contribution Rate		
a. Fund Value as on Renewal Date	138.49	473.26
b. Additional Contribution for Existing Fund	-	53.77
c. Current Service Costs	27.97	18.83
3. Total Amount Payable Rs. (1.f +1.g+2.b+2.c)	29.92	74.49
4. Less: Amount Paid	3.27	5.00
5. Liability Appearing in Balance Sheet	<u>26.65</u>	<u>69.49</u>
Note No. 27		
Leave Encashment		
Valuation Method - Projected Unit Credit Method		
A) Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognized for the period	21.74	7.69
Asset Limit Effect	-	-
Return on Plan Assets excluding Net Interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2024	Previous Year Ended on 31.03.2023
Total Actuarial (Gain)/Loss recognized in (OCI)	21.74	7.69
B) Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	33.25	31.42
Adjustment to Opening Balance	-	-
Expenses as Above	(10.76)	(4.26)
Contribution Paid	(0.06)	(1.60)
Other Comprehensive Income (OCI)	21.74	7.69
Closing Net Liability	<u>44.16</u>	<u>33.25</u>

Note No. 28**Capital Work In Progress Ageing as at 31st March, 2024**

(Rs. in Lakhs)

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	More than 3 years
Project in Progress	1,402.32	9.98	-	-	1,412.30
Project Temporarily Suspended	-	-	-	-	-

Capital Work In Progress Ageing as at 31st March, 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	More than 3 years
Project in Progress	829.71	-	-	-	829.71
Project Temporarily Suspended	-	-	-	-	-

Note No. 29**Reconciliation of Number of Equity Shares Outstanding at the beginning and end of the year:**

Particulars	As at 31 st March, 2024		As at 31 st March, 2023	
	No of Shares	Amount (Rs. in Lakhs)	No of Shares	Amount (Rs. in Lakhs)
Balance at the beginning of the year	5,60,40,000	560.40	5,60,40,000	560.40
Balance at the end of the year	5,60,40,000	560.40	5,60,40,000	560.40

Shares held by Promoter & Promoter Group at the end of the year (i.e. 31st March, 2024)

Sr. No.	Name	Category	Number of Shares	% of Total Shares	% change during the year
1	Nitin Ram Menon	Promoter	1,64,16,780	29.29	-
2	Menon United Pvt. Ltd.	Promoter Group	1,36,19,800	24.30	-
3	Sucheta Nitin Menon	Promoter Group	28,01,964	5.00	-
4	Aditya Nitin Menon	Promoter Group	32,44,978	5.79	-
5	Anshul Nitin Menon	Promoter Group	32,44,978	5.79	-

Note No. 30							
Trade Payable Ageing as at 31st March, 2024							
(Rs. in Lakhs)							
Particulars	Outstanding for following periods from due date of payment / from date of invoice raised				Total		
	Less than 1 year	1-2 years	2-3 years	More than 3 years			
MSME	237.60	-	-	-	237.60		
Others	1,043.40	3.89	0.41	-	1,047.70		
Dispute due MSME	-	-	-	-	-		
Dispute Due others	-	-	-	-	-		
TOTAL	1,281.00	3.89	0.41	-	1,285.30		
Trade Payable Ageing as at 31st March, 2023							
(Rs. in Lakhs)							
Particulars	Outstanding for following periods from due date of payment / from date of invoice raised				Total		
	Less than 1 year	1-2 years	2-3 years	More than 3 years			
MSME	210.72	-	-	-	210.72		
Others	1,041.92	-	3.75	-	1,045.67		
Dispute due MSME	-	-	-	-	-		
Dispute Due others	-	-	-	-	-		
TOTAL	1,252.64	-	3.75	-	1,256.39		
Note No. 31							
Trade Receivable Ageing as at 31st March, 2024							
(Rs. in Lakhs)							
Sr. No.	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed Trade Receivable-Consider Good	4,512.56	602.67	341.07	-	37.92	5,494.22
2	Undisputed Trade Receivable-which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable-Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
	TOTAL	4,512.56	602.67	341.07	-	37.92	5,494.22

Note No. 31							
Trade Receivable Ageing as at 31st March, 2023							
(Rs. in Lakhs)							
Sr. No.	Particulars	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed Trade Receivable-Consider Good	4,144.60	471.49	314.64	2.68	37.92	4,971.33
2	Undisputed Trade Receivable-which have significant increase in Credit risk	-	-	-	-	-	-
3	Undisputed Trade Receivable-Credit Impaired	-	-	-	-	-	-
4	Disputed Trade Receivable-Consider Good	-	-	-	-	-	-
5	Disputed Trade Receivable - which have significant increase in Credit risk	-	-	-	-	-	-
6	Disputed Trade Receivable - Credit Impaired	-	-	-	-	-	-
	TOTAL	4,144.60	471.49	314.64	2.68	37.92	4,971.33

Note No. 32			
Corporate Social Responsibility (CSR) Activity			
(Rs. in Lakhs)			
Sr. No.	Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
1	Amount required to be spent by the Company during the year	66.45	51.14
2	Amount of expenditure incurred on		
	i) Construction/acquisition of any assets	-	-
	ii) On purpose of other than (i) above	107.88	135.10
3	Shortfall at the end of the year	-	(6.89)
4	Total of Previous year shortfall	-	77.07
5	Reason for shortfall	There is no shortfall remaining.	
6	Nature of CSR activities	Promotion and development of traditional art and handicrafts, training to promote rural sports, promotion of education, promotion of health care etc.	
7	Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard :	There are no CSR transactions related parties.	

In terms of Amendment to Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the CSR Rules 2021) effective from 22nd January, 2021, if a Company fails to spend the prescribed CSR amount during the year and such unspent amount pertains to any ongoing project, the Company shall transfer the unspent amount to a special bank account to be opened by the Company in that behalf for that financial year in any scheduled bank to be called the Unspent Corporate Social Responsibility Account within a period of 30 days from the end of the relevant financial year. There is no unspent amount under CSR as on 31st March, 2024.

Note No. 33 - Ratio's							
Sr. No.	Particulars	Numerator	Denominator	Year Ended		Variance	Remark for variance more than 25%
				31 st March, 2023	31 st March, 2023		
1	Current Ratio (In times)	Current Assets	Current Liabilities	2.78	2.81	(1.07%)	
2	Debt-Equity Ratio (In times)	Total Debt	Shareholder's Equity	0.23	0.11	109.09%	Loan availed for expansion of facilities
3	Debt Service Coverage Ratio (In times)	Net Operating Income	Debt Service	3.42	3.30	(3.63%)	
4	Return on Equity (ROE) (%)	Net Income	Average Shareholder's Equity	17.51	26.58	(34.12%)	Due to slowdown in one of the segment, revenue was impacted
5	Inventory Turnover Ratio (In times)	Cost of Goods Sold	Average Inventory	7.39	8.64	(14.47%)	
6	Trade Receivables Turnover Ratio (In times)	Net Sales	Average Trade Receivables	4.03	4.55	(11.43%)	
7	Trade Payables Turnover Ratio (In times)	Net Credit Purchase	Avg Trade Payables	7.77	7.95	(2.26%)	
8	Net Capital Turnover ratio (In times)	Net Sales	Working Capital	3.07	3.91	(21.48%)	
9	Net Profit Ratio (%)	Net Profit	Total Income	11.36	14.83	(23.40%)	
10	Return on Capital Employed (ROCE)(%)	Earning Before Interest and Taxes	Capital Employed	25.12	34.07	(26.27%)	There was little drop in revenue due to slowdown in one of the segments
11	Return on Investment (%)	Net Income	Cost of Investment	18.46	4.77	(287.00%)	Initially debt was very low

Note No.34 : Other Statutory Information

- 1) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- 2) The Company does not have any transactions with struck off companies.
- 3) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- 4) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- 5) There are no such immovable properties which are not held in the name of the Company except lease hold land from MIDC.
- 6) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- 7) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
 - b) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- 8) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
 - b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- 9) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Note No. 35:

The code of Social Security, 2020 (code) relating to employee benefits during employment and post-employment received Presidential assent in September, 2020 and its effective date is yet to be notified. The Company will assess and record the impact of the Code, once it is effective.

Note No. 36:

Previous year's figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification disclosure.

As per our report of even date attached

For M/s. A R N A & Associates.
Chartered Accountants

Rahulprasad Agnihotri
Partner
Membership No.:111576
UDIN : 24111576BKFBCZ7621

Place : Kolhapur
Date : 18th July, 2024

For and on behalf of the Board of Directors

NITIN MENON
Executive Chairman
DIN: 00692754

ARUN ARADHYE
Whole Time Director & CFO
DIN : 03052587

R. D. DIXIT
Managing Director
DIN : 00626827

MANMAY KALYANKAR
Company Secretary
Membership No: A29264



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