

MENON BEARINGS LIMITED



03.07.2021

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,

Sub.: Intimation of Book Closure Date pursuant to Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

With reference to the captioned subject, we wish to inform you that the 30th Annual General Meeting of the Company will be held on Friday, 30th July, 2021 at 11.00 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM) 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 General Circular Nos. 20/2020 dated 5th May, 2020, 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020 and 02/2021 dated 13th January, 2021 and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 and Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated 15th January, 2021 issued by Securities and Exchange Board of India.

Pursuant to the provisions of Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Notice is hereby given that the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24th July, 2021 to Friday, 30th July, 2021 (both days inclusive) for the purpose of the 30th Annual General Meeting of the Company.

Kindly take the above on your record.

Thanks and Regards,

for MENON BEARINGS LIMITED

Neha Harolikar

Company Secretary & Compliance Officer
Membership No.: A40901



REGD. OFFICE & WORKS :
MIDC, GOKUL SHIRGAON, KOLHAPUR - 416 234. INDIA
Phones : + 91 231 26 72 279 / 533 / 487 Fax : + 91 231 267 22 78

E-mail : admin@menonbearings.in
Visit us at : <http://www.menonbearings.in>
CIN : L29130PN1991PLC062352

India's leading engine bearings company



MENON BEARINGS LTD

Annual Report 2020-21

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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
GAJENDRA VASA	Independent Director
KAILASH A. NEVAGI	Independent Director
Dr. SANTOSH PRABHU	Independent Director

NEHA HAROLIKAR: Company Secretary & Compliance Officer (w.e.f 14th August, 2020)

SURAJ PATIL: Company Secretary & Compliance Officer (upto 13th August, 2020)

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. ARNA & ASSOCIATES
Chartered Accountants, Kolhapur.

BANKERS :

HDFC BANK LTD
Kolhapur.

REGISTRAR AND SHARE

TRANSFER AGENTS :

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L.B.S. Marg,
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, Thane

MANAGEMENT NOTE

Dear Shareholders

It is our privilege to write to you and present the Annual Report for FY21.

These are challenging times, and I hope you and all other members of your family are safe and in good health.

India's auto industry which consists of automobiles and auto components witnessed one of its most challenging years during FY 21 with declining sales figures vis-à-vis the previous few years owing to weak domestic demand and falling exports.

We would like to assure the shareholders that your Company has taken every step to ensure safety of the employees and the community. We have established world-class safety measures and preventive protocols at all locations. We are taking employees health and safety as the number one priority during the lockdown, unlock and ramp up period.

The world and certainly India has seen significant change – various lockdowns and unlocks continued due to the COVID-19 pandemic. However, slowly but surely, we are trying to come back to what would be the new normal. The impact that this pandemic has had on our lives and livelihoods – right from reduction in GDP to employment uncertainties to supply chain disruptions – would take significant time to undo.

However, what is heartening is that our operations have restored to normal levels from May, 2020, export is doing very well, the Company has delivered a reasonably good performance across all business parameters & shown positive numbers despite multiple business challenges.

We see strong growth prospects as the larger market scenario starts improving –wide range of well accepted high quality products, major share with leading OEM customers & continuing investments.

Our performance- We recorded revenues of Rs. 150.90 Crores and EBITDA of Rs. 35.93 Crores during the FY 21.

Significant cost control measures, focus on exports helped the Company to improve the operating EBITDA margin during the year under review inspite of loss of complete one month due to lockdown.

During the year under report, the Company augmented its capacity by 33 Lacs pieces p.a. with addition of new customers.

During the year, the Company declared and paid interim dividend @ 150% for the FY 21 and tried to ensure that all stakeholders are by & large happy.

We express our sincere thanks to all our Customers, Suppliers, Shareholders, Employees, Bankers, Auditors for their continued support in these difficult times.

STAY SAFE



MENON BEARINGS LIMITED

CIN - L29130PN1991PLC062352

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

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

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

Notice

of 30th Annual General Meeting

Notice is hereby given that the 30th (Thirtieth) Annual General Meeting of Menon Bearings Limited (CIN: L29130PN1991PLC062352) ('Company') will be held on Friday, 30th July, 2021 at 11.00 a.m., through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") without physical presence of the Members at a common venue, in accordance with the General Circular Nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020 and 02/2021 dated 13th January, 2021 issued by Ministry of Corporate Affairs ('MCA Circulars') and Circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and Circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by the Securities and Exchange Board of India ('SEBI Circulars'), to transact the business mentioned below. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company which shall be the deemed Venue of the AGM.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2021 along with Board's Report and Auditors' Report thereon and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 and the reports of the Board of Directors and Auditors thereon be and are hereby received, considered and adopted."

2. To take note of payment of interim dividend paid for the financial year ended on 31st March, 2021 and in this regard, if thought fit, pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the interim dividend of Rs. 1.50 per equity share on 5,60,40,000 equity shares having face value of Re. 1/- each declared on 27th January, 2021 accordingly paid to the shareholders of the Company for the financial year ended 31st March 2021, 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 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 and other applicable provisions of the Companies Act, 2013 ("the Act") and Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. C. S. Adawadkar & Co, Cost Accountants, Pune, (FRN - 100401), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022, be paid a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus taxes as applicable and out of pocket expenses on actual.

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

5. APPOINTMENT OF MR. M.L. SHINDE AS AN INDEPENDENT NON- EXECUTIVE DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or enactment thereof for the time being in force), Mr. M. L. Shinde (DIN: 07417527 and ID registration no.:IDDB-DI-202002-013298), who was appointed as an Additional Independent Non-Executive Director of the Company with effect from 9th February, 2021 pursuant to the provisions of Section 161 of the Companies Act, 2013 ('the Act') read with Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company, and holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Act proposing his candidature for the office of Director of the Company, and who has submitted the declaration that he meets the criteria for independence as provided under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, be and is hereby appointed as an Independent Non –Executive Director of the Company for a period of 5 (Five) years w.e.f. 9th February, 2021 to 8th February 2026, who shall not be liable to retire by rotation.

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.”

6. APPROVAL OF PAYMENT OF REMUNERATION PAYABLE TO MR. NITIN MENON, EXECUTIVE CHAIRMAN AND WHOLE TIME DIRECTOR OF THE COMPANY:

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

“RESOLVED THAT pursuant to provisions of Sections 197 and 198 read with Schedule V and other applicable provisions of the Companies Act 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company, the remuneration payable to Mr. Nitin Menon (DIN:00692754), Executive Chairman and Whole Time Director of the Company with effect from 1st April, 2021 for remaining period of his tenure be and is hereby approved, with the authority to the

Board of Directors of the Company to revise the terms on recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee with regard to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force, as follows:

Sr. No.	Particulars	Amount (Rs. in Lakhs per month)
1.	Salary	8.30
2.	House Rent Allowance	0.35
3.	PPA	0.80
4.	Production Incentive	5.00
5.	Education Allowance	0.60
6.	Soft Furnishing Allowance	0.25
7.	Servant Allowance	0.25
8.	Special Allowance	1.00
	Total	16.55

Others:

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

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

payable as minimum remuneration.

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.”

7. APPROVAL FOR REMUNERATION PAYABLE TO MR. R.D. DIXIT, MANAGING DIRECTOR OF THE COMPANY:

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

“**RESOLVED THAT** pursuant to provisions of Sections 197, 198 read with Schedule V and other applicable provisions of the Companies Act 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and the Board of Directors of the Company, the remuneration payable to Mr. R. D. Dixit (DIN: 00626827), Managing Director of the Company with effect from 1st April, 2021 for remaining period of his tenure be and is hereby approved with the authority to the Board of Directors of the Company to revise the terms on recommendation of the Nomination and Remuneration Committee and approval of the Audit Committee with regard to remuneration from time to time within the limits provided in the said Schedule V or any amendment thereto for the time being in force, as follows:

Sr. No.	Particulars	Amount (Rs. in Lakhs per month)
1.	Salary	5.00
2.	House Rent Allowance	0.50
3.	PPA	1.25
4.	Production Incentive	0.50
5.	Education Allowance	0.40
6.	Soft Furnishing Allowance	0.40
7.	Servant Allowance	0.60
	Total	8.65

Others

1. Provident Fund: Company's contribution to Provident Fund will not exceed 12% of the salary per annum.
2. Gratuity: Gratuity will be paid as per normal Company's rules.
3. Car: Company's Car will be provided to Mr. R.D. Dixit.
4. Conveyance: Actual
5. Medical expenses: Actual
These facilities will not be considered as perquisites.
6. Mr. R. D. Dixit will be entitled to leave as per the rules of the Company as are applicable to other staff

- members of his category.
7. Whenever Mr. R.D. Dixit is required to travel outstation within India and abroad on Company's duty, he shall be paid in the following manner:
 - a. Executive Air Fare / First Class AC Rail Fare.
 - b. Actual expenses to cover stay in hotels and cost of local conveyance.
 8. Leave encashment will be provided as per the normal rules of the Company and encashment of such leave at the end of the tenure of service shall not be included in the computation of ceiling of remuneration or perquisites as aforesaid.
 9. Leave Travel Assistance as per the rules.
 10. Bonus / Ex-gratia as per the rules.

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

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

Place : Kolhapur
Date : 14th May, 2021

Nitin Menon
Executive Chairman
DIN : 00692754

Notes:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular nos. 14/2020 and 17/2020 dated April 8, 2020 and April 13, 2020 respectively, in relation to “Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 and the rules made thereunder on account of the threat posed by Covid-19”, circular no. 20/2020 dated May 5, 2020 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” and Circular no. 02/2021 dated January 13, 2021 in relation to “Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM)” (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in relation to “Additional relaxation in relation to compliance with certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 – Covid-19 pandemic” and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 in relation to “Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the COVID -19 pandemic” (collectively referred to as “SEBI Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. The registered office of the Company shall be deemed to be the venue for the AGM.
2. The Company has appointed Link Intime India Private Limited, RTA of the Company, to provide Video Conferencing facility for conducting this 30th AGM.
3. Pursuant to the provisions of the Companies Act, 2013 (“Act”), a member entitled to attend and vote at the AGM is entitled to appoint proxy to attend and vote, on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, the physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and route map of the AGM are not annexed to this Notice.
4. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of this notice.
5. Institutional /Corporate Shareholder(i.e. other than individuals, HUF, NRI, etc.) are requested to send a scanned copy (PDF/JPG format) of its Board Resolution, passed pursuant to Section 113 of the Companies Act, 2013, authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said resolution shall be sent to the Scrutinizer by email through its registered email address at manish@csmanishb.in with copies marked to the Company at admin@menonbearings.in and to its RTA at instameet@linkintime.co.in
6. Brief resume of director proposed to be appointed / re-appointed or whom remuneration is proposed to be approved at the ensuing AGM in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 Secretarial Standard on General Meetings is annexed to the Notice.
7. Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from 24th July, 2021 to 30th July, 2021 (both days inclusive) for the ensuing AGM.
8. Members holding shares in physical form are requested to notify immediately any change in their

address or bank mandates to the Company / Registrar and Share Transfer Agents quoting their Folio Number and Bank Account details along with self-attested documentary proofs. Members holding shares in the Demat form may update such details with their respective Depository Participants.

9. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Link Intime India Private Limited for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website <https://www.menonbearings.in>
10. In case of joint holders attending the meeting, the joint holder with highest in order of names will be entitled to vote.
11. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before 48 hours prior to the date of AGM, through email on admin@menonbearings.in. The same will be replied by the Company suitably.
12. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use the bank account details furnished by the depositories for depositing dividend through National Electronic Clearing Service (NECS) to investors wherever NECS and bank details are available if the Company proposes to avail NECS facility. The members who have not updated their bank account details and wish to avail such facility in future are requested to update their bank account details by submitting the NECS mandate form, available on Company's website viz. <https://www.menonbearings.in>
13. Members having multiple folios in identical names or in joint names in the same order are requested to send the share certificate(s) to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services.
14. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend declared for the financial years upon 2012-13, to the Investor Education and Protection Fund (IEPF) established by the Central Government.
15. Pursuant to the provisions of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded on its website the details of unpaid and unclaimed amount of dividend lying with the Company for the financial year 2013-14. The balance amount lying in Unpaid Dividend Account for the financial year 2013-14 is due for transfer to the IEPF during the month of August, 2021. Members, who have not encashed their dividend for the financial year 2013-14 or thereafter, are advised to write to the Company immediately claiming dividends declared by the Company.
16. Attention of the members is drawn to the provisions of Section 124(6) of the Act which require a company to transfer in the name of IEPF Authority all shares in respect of which dividend has not been paid or claimed for 7 (seven) consecutive years or more.

17. In accordance with the aforesaid provisions of Section 124(6) of the Act read with the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has transferred 9010 shares in respect of which dividend declared for the financial year 2012-13 or earlier financial years remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more to the Investor Education and Protection fund via corporate action through National Securities Depository Limited.
18. A member desirous to claim back his shares from IEPF Authority can do so by following procedure as prescribed under the said rules. The said details are available on the Company's website viz. www.menonbearings.in and have also been uploaded on the website of the Ministry of Corporate Affairs and the same can be accessed through the link: <http://www.mca.gov.in> and on the website of IEPF viz. <http://www.iepf.gov.in>
19. Further, the Company has initiated necessary action for transfer of all shares in respect of which dividend declared upto financial year 2013-14 and has remained unpaid or unclaimed by the members for 7 (seven) consecutive years or more.
20. The SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore requested to submit their respective PAN details to their respective Depository Participants with whom they have their demat account(s). Members holding shares in physical form can submit their PAN details to the Registrar & Share Transfer Agents of the Company viz. Link Intime India Private Limited.
21. Non Resident Indian members are requested to inform the Company's Registrar & Share Transfer Agents, immediately of any change in their residential status on return to India for permanent settlement, their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code, if the details are not furnished earlier.
22. **Registration of email ID and Bank Account details:**

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

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

OR

- (ii) **In the case of Shares held in Demat mode:**
The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

OR

- iii) **In the case of Shares held in Physical mode:**
The shareholder may please forward a letter duly signed by him/her containing email ID, mobile number

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

23. Members are requested to forward all communications to the RTA of the Company and are further requested to always quote their Folio Number / DPID-Client ID in all correspondences with the Company.
24. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
25. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://menonbearings.in>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to RTA of the Company in case the shares are held in physical form.
26. In compliance with the aforesaid MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.menonbearings.in websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
27. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
28. Instructions for e-voting and joining the AGM are as follows:

A. VOTING THROUGH ELECTRONIC MEANS

- a. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 30th Annual General Meeting of the Company dated 14th May 2021. 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. The Company has engaged services of Link Intime India Private Limited to provide the e-voting facility.
- c. The remote e-voting shall commence on 27th July, 2021 (9.00 a.m.) and end on 29th July, 2021 (5.00 p.m.). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23rd July, 2021 may cast their vote electronically. The e-

voting module shall be disabled by Link Intime India Pvt. Ltd. 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 will be 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 AGM.

- d. The voting rights of 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. 23rd July, 2021.
- e. The Board of Directors of the Company has appointed CS Manish Baldeva (FCS 6180), Proprietor of M/s. M Baldeva Associates, Company Secretaries, Thane as Scrutinizer to scrutinize the voting during the AGM and through remote e-voting process in a fair and transparent manner.
- f. 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.
- g. 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
- h. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.
- i. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.menonbearings.in and on the website of Link Intime India Pvt. Ltd. ('LI IPL') <https://instavote.linkintime.co.in> immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants only post 9th June, 2021. Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

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

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ul style="list-style-type: none"> ● If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. ● After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. ● If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp ● Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	<ul style="list-style-type: none"> ● Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. ● After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service

Type of shareholders	Login Method
	<p>provider i.e. NSDL, KARVY, LINK NTIME, CDSL. Click on e-Voting service provider name to cast your vote.</p> <ul style="list-style-type: none"> ● If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration ● Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com homepage. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress.
Individual Shareholders (holding securities in demat mode) & login through their depository participants	<ul style="list-style-type: none"> ● You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. ● Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME	<p>1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in</p> <p>▶ Click on “Sign Up” under 'SHARE HOLDER' tab and register with your following details: -</p> <ol style="list-style-type: none"> a. User ID: Shareholders/ members holding shares in physical form shall provide Event No + 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. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

Type of shareholders	Login Method
	<p>d. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.</p> <ul style="list-style-type: none"> ● Shareholders/ members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in '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). <ol style="list-style-type: none"> 2. Click on 'Login' under 'SHARE HOLDER' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on 'Submit'. 4. After successful login, you will be able to see the notification for e-voting. Select 'View' icon. 5. E-voting page will appear. 6. 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). 7. 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.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as 'Custodian / Mutual Fund / Corporate Body'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the 'Custodian / Mutual Fund / Corporate Body' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

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

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.

- Shareholders/ members 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.

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

- Shareholders/ members 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".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

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 toll free no.: 1800 1020 990 and 1800 22 44 30
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 022- 23058738 or 22-23058542-43.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the Frequently Asked Questions ('FAQs') and InstaVote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 -4918 6000.

GENERAL GUIDELINES FOR SHAREHOLDERS:

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

B. INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC / OAVM ARE AS UNDER:

a) INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO ATTEND THE ANNUAL GENERAL MEETING THROUGH INSTAMEET (VC/OAVM) ARE AS UNDER:

- i. Shareholders/Members are entitled to attend the Annual General Meeting through VC/OAVM provided by Link Intime by following the below mentioned process. Facility for joining the Annual General Meeting through VC/OAVM shall open 15 minutes before the time scheduled for the Annual General Meeting and will be available to the Members on first come first serve basis.
- ii. Shareholders/Members are requested to participate on first come first serve basis as participation through VC/OAVM is limited and will be closed on expiry of 15 (fifteen) minutes from the scheduled time of the Annual General Meeting. Shareholders/Members with >2% shareholding, Promoters, Institutional Investors, Directors, KMPs, Chair Persons of Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Auditors etc. may be allowed to the meeting without restrictions of first-come-first serve basis. Members can log in and join 15 (fifteen) minutes prior to the schedule time of the meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time. Participation is restricted upto 1000 members only.
- iii. Shareholders/ Members will be provided with InstaMeet facility wherein Shareholders/ Member shall register their details and attend the Annual General Meeting as under:
 - (i) Open the internet browser and launch the URL for InstaMeet <<<https://instameet.linkintime.co.in>>> and register with your following details:
 - a. DP ID / Client ID or Beneficiary ID or Folio No.: Enter your 16 digit DP ID / Client ID or Beneficiary ID or Folio Number registered with the Company
 - b. PAN: Enter your 10 digit Permanent Account Number (PAN)
 - c. Mobile No.
 - d. Email ID
 - (ii) Click "Go to Meeting"

NOTE:

- 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 the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

b) INSTRUCTIONS FOR SHAREHOLDERS / MEMBERS TO REGISTER THEMSELVES AS SPEAKERS DURING ANNUAL GENERAL MEETING:

- i. Shareholders/ Members who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request mentioning their name, demat account number/folio number, email id, mobile number at admin@menonbearings.in before 48 hours prior to the date of AGM.
- ii. The first Speakers on first come basis will only be allowed to express their views/ask questions during the meeting.
- iii. Shareholders/ Members, who would like to ask questions, may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at admin@menonbearings.in. The same will be replied by the company suitably.

NOTE:

- Those shareholders/members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the Annual General Meeting.
- Shareholders/ Members should allow to use camera and are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

c) INSTRUCTIONS FOR SHAREHOLDERS/MEMBERS TO VOTE DURING THE ANNUAL 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 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 Annual 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 Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will

not be eligible to vote again during the meeting.

- In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : (022-49186175)

STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:

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 the audit of the cost records of the Company for the financial year ending 31st March, 2022 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 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company.

Accordingly, consent of the members 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, 2022.

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

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

Item No. 5

The Board of Directors, on recommendation of the Nomination and Remuneration Committee, appointed Mr. M. L. Shinde (DIN:07417527) as an Additional Independent Non-Executive Director of the Company with effect from 9th February, 2021 under the provisions of Sections 149, 150 and 152 of the Companies Act, 2013 and holds office as such upto the date of ensuing Annual General Meeting.

The Company has received notice under Section 160 of the Companies Act, 2013 from a member signifying his candidature as an Independent Director of the Company. The Company has also received a declaration of independence from him.

In the opinion of the Board, he fulfils the conditions as set out in Section 149(6) and Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for being eligible for his appointment. Mr. M. L. Shinde is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013. The Company has received from him all statutory disclosures /declarations including his consent to act as a Director. The letter of appointment is available for inspection by members at the registered office of the Company between 11 a.m. to 1 p.m. on any working day of the Company.

Brief resume of Mr. M.L. Shinde and other relevant details relating to his appointment as required by the Act, the SEBI Listing Regulations and Secretarial Standard-2 on General Meeting issued by the ICSI forms part of

the Notice.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail expertise of Mr. M. L. Shinde as an Independent Director. Accordingly, the Board recommends the resolution as set out at item no. 5 of the Notice for approval of the members in relation to his appointment as an Independent Director for a period of 5 (Five) years with effect from 9th February, 2021 for the approval by the shareholders of the Company.

Mr. M. L. Shinde is not holding any shares in the Company.

Except Mr. M. L. Shinde, being an appointee, none of the Directors and/or Key Managerial Personnel of the Company or their relatives is concerned or interested financially or otherwise, in the resolution set out at item 5.

Item No. 6

Mr. Nitin Menon is a promoter of the Company and is associated with the Company since its inception.

The shareholders of the Company at 27th Annual General Meeting held on 21st July, 2018 re-appointed Mr. Nitin Menon as Managing Director designated as Vice Chairman and Joint Managing Director of the Company for a period of 5 (Five) years w.e.f. 1st April, 2018 to 31st March, 2023 and the terms and conditions with respect to his remuneration was approved for a period of 3 (Three) years with effect from 1st April, 2018 to 31st March, 2021. Mr. Nitin Menon was re-designated as Executive Chairman of the Company w.e.f. 1st August, 2020 by Board of Directors in its meeting held on 29th July, 2020. Mr. Nitin Menon being Executive Chairman shoulder huge responsibilities.

As recommended by Nomination and Remuneration Committee and approved by the Audit Committee of the Company, the Board of Directors of the Company at its meeting held on 27th January, 2021 approved the payment of remuneration to Mr. Nitin Menon payable w.e.f. 1st April, 2021 for remaining period of his tenure i.e. upto 31st March, 2023 on the terms and conditions as set out in the resolution at item no. 6 of the notice, subject to the approval of the members of the Company at their general meeting.

The Board of Directors recommends passing of the Special Resolution as set out at item no. 6 of the Notice for approval of the members.

Except Mr. Nitin Menon, none of the Directors, Key Managerial Personnel of your Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

Item No. 7

Mr. R.D Dixit, Managing Director of the Company looks after day to day business affairs of the Company and is associated with the Company since its inception.

The shareholders of the Company at 27th Annual General Meeting held on 21st July, 2018 re-appointed Mr. R. D. Dixit as Chairman & Managing Director of the Company for a period of 5 (Five) years w.e.f. 1st April, 2018 to 31st March, 2023 and the terms and conditions with respect to his remuneration was approved for a period of 3 (Three) years with effect from 1st April, 2018 to 31st March, 2021. Mr. R.D Dixit stepped down from the position of Chairman of the Company w.e.f. 31st July, 2020, however he continues as Managing Director of the Company .

As recommended by Nomination and Remuneration Committee and approved by the Audit Committee of the

Company, the Board of Directors of the Company at its meeting held on 27th January, 2021 approved the payment of remuneration to Mr. R. D. Dixit payable w.e.f. 1st April, 2021 for remaining period of his tenure i.e. upto 31st March, 2023 on the terms and conditions as set out in the resolution at item no. 7 of the notice, subject to the approval of the members of the Company at their general meeting.

The Board recommends passing of the Special Resolution as set out at item no. 7. of the Notice for approval of the members.

Except Mr. R. D Dixit , none of the Directors, Key Managerial Personnel of your Company or their relatives is concerned or interested, financially or otherwise, in the said resolution.

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

Name of Director	Mr. Nitin Menon	Mr. R. D. Dixit	Mr. Arun Aradhya	Mr. M. L. Shinde
Date of Birth/ Age	26 th November, 1967 (53 years)	25 th December, 1943 (78 years)	26 th June, 1956 (64 years)	11 th January, 1952 (69 years)
Nationality	Indian	Indian	Indian	Indian
Date of appointment as director	1 st April, 1995	1 st April, 1992	31 st January, 2019	9 th February, 2021
Designation	Executive Chairman and Whole Time Director	Managing Director	Whole Time Director and CFO	Independent Director
Qualification	Bachelor of Commerce	Bachelor of Engineering (Mechanical)	M.COM, LLB, GDCA	CS, CA, LLM, M.COM
Experience/Expertise	He is an industrialist and associated with Menon Bearings Ltd. since 1992 i.e. from the inception of the Company. He is having 27 years of rich and varied experience in the field of Automobile Sector	He is having vast experience of around 53 years in the field of Automobile Sector & is associated with Company since its inception.	He is associated with the Company for more than 11 years and is having vast experience of more than 40 years in the fields of Accounts, Finance, Business, Administration & Management.	He has vast experience of around 42 years in the field of Finance, Taxation, Corporate Laws etc.
Shareholding in the Company (Equity Shares of Re. 1/- each) as on 31st March, 2021	1,70,16,780	Nil	50	Nil
Number of Meetings of Board attended during the year	4 (Four)	4 (Four)	4 (Four)	4 (Four)

Terms & Conditions of Appointment / Re- appointment & Remuneration sought to be paid/ last drawn	As provided in the resolution number 6 of Notice of 30 th Annual General Meeting of the Company. Remuneration details are provided in the additional information sheet.	As provided in the resolution number 7 of Notice of 30 th Annual General Meeting of the Company. Remuneration details are provided in the additional information sheet.	He shall be liable to retire by rotation	He is appointed for a term of 5 years w.e.f. 09 th February, 2021 to 08 th February, 2026 in the capacity of an Independent Director, not liable to retire by rotation
List of Directorships held in various other Companies	1. Menon United Pvt. Ltd. 2. Menon Signature Pvt. Ltd. 3. Mani Agriculture And Research Combine Pvt. Ltd. 4. Flyga Auto Pvt. Ltd. 5. Flyga Resorts Pvt. Ltd.	1. Menon Pistons Ltd. 2. Menon Piston Rings Pvt. Ltd.	1. Menon United Pvt. Ltd. 2. Menon Signature Pvt. Ltd. 3. Flyga Auto Pvt. Ltd. 4. Flyga Resorts Pvt. Ltd.	Nil
List of Chairmanship and Membership of various committees in Public Companies	I. Chairmanship: Menon Bearings Ltd. CSR Committee II. Membership: Menon Bearings Ltd. 1. Stakeholders Relationship Committee	I. Chairmanship: Menon Pistons Ltd. Stakeholders Relationship Committee II. Membership: Menon Bearings Ltd. 1. Audit Committee 2. Stakeholders Relationship Committee 3. Corporate Social Responsibility Committee Menon Pistons Ltd. 1. Audit Committee 2. Nomination & Remuneration Committee 3. Corporate Social Responsibility Committee 4. Risk Management Committee.	I. Chairmanship: NIL II. Membership: Menon Bearings Ltd. 1. Audit Committee 2. Corporate Social Responsibility Committee	I. Chairmanship: Menon Bearings Ltd. 1. Audit Committee 2. Nomination & Remuneration Committee II. Membership: Menon Bearings Ltd. 1. Corporate Social Responsibility Committee

Relationship with other Directors/ Key Managerial Personnel of the Company	Not Related	Not Related	Not Related	Not Related
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Additional information as required under Part II of Schedule V of the Companies Act, 2013 is given below:

I	General Information	
1	Nature of Industry	Manufacturing of Auto Components.
2	Date or expected date of commencement of commercial production	The Company is in existence and in operation since 1991
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4	Financial performance based on given indicators	EPS: 3.35 Return on Net Worth: 19% Debt Equity Ratio: 0.30
5	Foreign Investment or Collaborations, if any	N.A.
II	Information about the Directors:	
A	Mr. Nitin Menon	
1	Background details	Mr. Nitin Menon was appointed as Director of the Company on 1 st April, 1995. He was appointed as Joint Managing Director of the Company w.e.f. 20 th October 2000. On 21 st July, 2018 Mr. Nitin Menon was re-appointed as Managing Director designated as Vice Chairman and Joint Managing Director of the Company for a period of 5 (Five) years w.e.f. 1 st April, 2018 to 31 st March, 2023. Mr. Nitin Menon was then re-designated as Executive Chairman of the Company w.e.f. 1 st August, 2020. Mr. Nitin Menon is promoter of the Company and is associated with the Company since inception and has experience of more than 27 years in the industry.
2	Past Remuneration	Rs. 127.33 Lakhs p.a.
3	Recognition or awards	Mr. Nitin Menon is a Commerce Graduate.

4	Job profile and his suitability	Mr. Nitin Menon is engaged in day-to-day activities of the Company and is responsible for its overall management.
5	Remuneration proposed	Rs.16,55,000/- per month
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration payable to Mr. Nitin Menon is at par with the industry standards, in which it operates.
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Nitin Menon is promoter of the Company.
B	Mr. R. D. Dixit	
1	Background details	Mr. R.D Dixit is associated with Menon group since last 53 years. He has worked in different capacities such as Development Engineer, Works Manager, Director Technical and for last 27 years as Managing Director of the Company and director in other group companies. On 21 st July, 2018 Mr. R.D. Dixit was re-appointed as Chairman & Managing Director of the Company for a period of 5 (Five) years w.e.f. 1 st April, 2018 to 31 st March, 2023. He stepped down from the position of the Chairman of the Company w.e.f. 31 st July, 2020, however continues as Managing Director of the Company.
2	Past Remuneration	Rs. 50.26 Lakhs p.a
3	Recognition or awards	Mr. R.D Dixit did his Diploma in Mechanical Engineering from Government Polytechnic College, Kolhapur in 1 st Class and B.E.(Mech) from College of Engineering, Karad in 1 st Class and did "Production Planning and Control" course from HMT, Bangalore.
4	Job profile and his suitability	Mr. R D. Dixit is engaged in day-to-day activities of the Company and is responsible for overall management of the Company
5	Remuneration proposed	Rs. 8,65,000/- per month
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	The remuneration payable to Mr. R. D. Dixit is at par with the industry standards, in which it operates.

7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any with respect to the country of his origin)	Not related
III	Other Information:	
1	Reasons of loss or inadequate profits	Presently, the Company has adequate profits, however considering the nature of business and uncertainty of profits in future, more particularly in present pandemic times, the Company is proposing the resolutions to be passed as Special Resolutions.
2	Steps taken or proposed to be taken for improvement	Since the Company is making adequate profit, this point is not applicable to the Company.
3	Expected increase in productivity and profits in measurable terms	Productivity is expected to increase by 25% (approx.) & profits by 30% (approx.)
IV	Disclosure	
1	Remuneration package of the managerial person	As detailed in the resolution mentioned in the Notice of AGM.
2	Disclosures in the Board of Directors' report under the heading 'Corporate Governance' included in Annual Report 2020-21	The requisite details of remuneration of Directors are included in the Corporate Governance Report, forming part of the Annual Report of FY 2020-21 of the Company.

Board of Directors' Report

To,

The Members

Your Directors feel great pleasure in presenting the 30th Annual Report of your Company along with the Audited Financial Statements for the financial year ended 31st March, 2021.

FINANCIAL HIGHLIGHTS :

(Rs. in lakhs)

Sr. No.	Particulars	For the Financial Year ended 31 st March, 2021	For the Financial Year ended 31 st March, 2020
1	Total Revenue (Net)	15,090.09	14,035.59
2	Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	3,592.63	3,105.16
3	Less : Depreciation and Amortization Expenses	748.37	687.80
	Finance Cost	357.09	456.69
4	Profit before Tax	2,487.17	1,960.67
5	Less: Provision for Tax	607.17	520.87
6	Profit after Tax	1,880.00	1,439.80
	Other Comprehensive Income	11.64	3.47
7	Balance of Profit as per last Balance Sheet	7,206.18	7524.11
8	Balance Available for Appropriation	9,097.83	8,967.39
9	Bonus Shares issued	-	-
10	Rate of paid Dividend	150%	250%
11	Dividend Paid	840.60	1,401.00
12	Tax on Dividend	-	285.21
13	Transfer to General Reserve	75.00	75.00
14	Balance of Profit carried to Balance Sheet	8,182.23	7,206.18

COVID-19 PANDEMIC:

The COVID-19 pandemic has emerged as a global challenge, creating disruption across the world. After ensuring compliance with all the safety measures directed by the Central Government, State Government and local administrations like social distancing and maintaining hygiene, the Company resumed its operations from 5th May, 2020 with the permission from District Administration after the lockdown. The situation created by Covid-19 continues to hold some uncertainties for the future; however, the Board and the Management will do its best to address the same, as the situation evolves, in the interests of all the stakeholders of the Company.

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. 14,786.70** Lakhs (previous year **Rs. 13,609.34** Lakhs) and Net Profit after Tax of **Rs. 1,880.00** Lakhs (previous year **1,439.80** Lakhs).

DIVIDEND:

The Company's overall performance during the financial year under review was satisfactory. Based on the performance, the Company declared payment of interim dividend @ Rs. 1.50 per Equity Share (previous year interim dividend of Rs. 2.50 per Equity Share), being 150% of the paid-up Equity Share Capital of the Company for the financial year ended on 31st March, 2021. Considering current market scenario and pandemic conditions, to conserve resources, your Directors are not recommending payment of any further dividend for the financial year ended 31st March, 2021 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, 2021, 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.

RESERVES:

During the financial year under review Rs. 75 Lakhs (previous year Rs. 75 Lakhs) were transferred to the General Reserve.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:

The Company does not have any subsidiary, associate or joint venture companies.

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 Companies Act, 2013 ("the Act") read with Companies (Acceptance of Deposits) Rules, 2014.

ANNUAL RETURN:

As required under Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, the copy of Annual Return as on 31st March, 2021 will be placed on the website of the Company and can be accessed at <https://menonbearings.in/investor-relations/investorinformation>

DIRECTORS AND KEY MANAGERIAL PERSONNEL:**a) Retirement by rotation**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 and Articles of Association of the Company, Mr. Arun Aradhye (DIN:03052587), Whole Time Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment and your Board recommends his re-appointment.

b) Appointment

During the financial year under review, the Board of Directors of the Company, upon recommendation of the Nomination and Remuneration Committee, appointed Mr. M. L. Shinde (DIN: 07417527), as an Additional Independent Non-Executive Director of the Company for a period of five years w.e.f. 9th February, 2021 to 8th February, 2026, subject to approval of shareholders at the ensuing Annual General Meeting. The Company has received a notice in writing from a member of the Company pursuant to the provisions of Section 160 of the Act proposing his candidature for the office of Director of the Company. Your Board recommends his appointment.

Further, in the opinion of the Board, Mr. M. L. Shinde is a person of integrity and possesses relevant expertise and experience and thus qualify to be appointed as an Independent Director of the Company. Further, as required under Section 150(1) of the Act read with Rule 6(1) of Companies (Appointment and Qualifications of Directors) Rules, 2014, Mr. M. L. Shinde has registered himself as an Independent Director in the independent director data bank. As per the proviso to Rule 6(4) of Companies (Appointment and Qualifications of Directors) Rules, 2014, Mr. M. L. Shinde is not required to pass online proficiency self-assessment test as he has served as a Director for a total period of not less than three years as on the date of inclusion of his name in the data bank.

c) Cessation

The term of Mr. M. L. Shinde (DIN: 07417527), as Independent Non-Executive Director of the Company, who was appointed as such for a term of 5 (Five) years w.e.f. 29th January, 2016, completed on the close of business hours on 28th January, 2021 and accordingly Mr. M. L. Shinde ceased to be director of the Company w.e.f. 28th January, 2021.

The Board places on record its sincere appreciation for the valuable contribution made by him during his tenure as an Independent Director of the Company.

d) Declaration from Independent Directors

The Company has received declarations 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 Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Regulation 25 of the said 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 provision of Rule 6(3) of Companies (Appointment and Qualification of Directors) Rules, 2014, which mandated the inclusion of an Independent Director's name in the data bank of Indian Institute of Corporate Affairs ("IICA") for a period of one year or five years or life time till they continue to hold the office of an Independent Director.

None of the directors of your Company are 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in the opinion of the Board, all the Independent Directors are persons of integrity and possesses relevant expertise and experience.

e) Number of Directors

As per Regulation 17(c) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the

Company is required to appoint minimum six (6) directors including one woman director on its Board. At present your Company has seven directors consisting of four 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 Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for performance evaluation of the Chairman, Board 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 performances of Board, Board Committees and individual Directors and Chairperson. The Chairmen of respective Board Committees shared the report on evaluation with the respective Committee members. 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 Chairman of the Board.

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

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

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

g) Key Managerial Personnel

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

Sr. No.	Name of the Director	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. Suraj Patil	Company Secretary and Compliance Officer (upto 13 th August, 2020)
5	Ms. Neha Harolikar	Company Secretary and Compliance Officer (w.e.f. 14 th August, 2020)

Apart from the above, no other Director or KMP were appointed or retired or resigned during financial year ended 31st March, 2021.

Brief resume of the directors proposed to be appointed / re-appointed or to whose remuneration is to be approved as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings is given in the Notice convening the 30th Annual General Meeting of the Company.

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 meeting 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 prior to the date of the meeting. The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the directors make informed decisions.

During the financial year under review, the Board of Directors met 4(Four) 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 Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Companies Act, 2013, 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, 2021 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 Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 all the Committees along with their charters, composition and meetings held during the financial year under review are provided in the Report on Corporate Governance, forming part of this Annual Report.

AUDIT COMMITTEE:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the financial year under review, the Audit Committee was reconstituted by appointing Mr. Arun Aradhya, Whole Time Director and Chief Financial Officer and Mr. Santosh Prabhu, Independent Director of the Company as its members with effect from 29th July, 2020 and 22nd October, 2020 respectively. Due to completion of term of Mr. M. L. Shinde as an Independent Director of the Company with effect from the closure of office hours on 28th January, 2021, the Audit Committee was reconstituted by ceasing of Mr. M. L. Shinde and Mr. Arun Aradhya as members of the Audit Committee with effect from 27th January, 2021. The Audit Committee was reconstituted again by appointing Mr. M. L. Shinde, Independent Director and Mr. Arun Aradhya, Whole Time Director and Chief Financial Officer of the Company as its members with effect from 15th February, 2021.

As on 31st March, 2021, the Audit Committee comprised of Mr. M. L. Shinde, Mr. R. D. Dixit, Mr. Gajendra Vasa, Mrs. Kailash A. Nevagi, Mr. Arun Aradhya and Mr. Santosh Prabhu as its members. Mr. M. L. Shinde is the Chairman of 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 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 Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 is explained 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 I**, 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 II**, forming part of this report.

REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and on recommendation of 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://menonbearings.in/investor-relations/corporategovernance>.

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 in their 26th Annual General Meeting held on 29th June, 2017 appointed M/s. ARNA & Associates (FRN: 122293W), Chartered Accountants, Kolhapur, as the Statutory Auditors of the Company for a term of consecutive 5 years i.e. from the conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting of the Company to be held for the financial year ending 31st March, 2022, subject to ratification by the members every year.

However, after the amendment in Section 139 of the Act, effective 7th May, 2018, ratification by shareholders every year for the appointment of the Statutory Auditors is no longer required, accordingly they will hold office upto the conclusion of 31st Annual General Meeting of the Company to be held for the financial year ending 31st March, 2022.

M/s. ARNA & 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.

The Statutory Auditors' Report on the Audited Financial Statements of the Company for the financial year ended 31st March, 2021 forms part of this Annual Report.

The Statutory Auditors' report on the Audited Financial Statements for financial year ended 31st March, 2021 does 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 Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the Board of Directors of the Company has appointed M/s. C. S. Adawadkar & Co., Cost Accountants, Pune (FRN: 100401) as Cost Auditors of the Company to conduct audit of cost records for the Financial Year 2021-22, 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. A resolution seeking approval of the members for ratifying the remuneration payable to the Cost Auditors for Financial Year 2021-22 is provided in the Notice of the ensuing 30th Annual General Meeting.

COST RECORDS:

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

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204(1) of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. M Baldeva

Associates, Company Secretaries, Thane to undertake Secretarial Audit of the Company for the financial year ended 31st March, 2021. The Secretarial Audit Report is annexed to this report as **Annexure III** and forms part of this report.

With respect to observations made by the Secretarial Auditors in their report, we would like to state as follows:

Sr. No.	Observations	Explanation of Board of Directors
1	Delay in filing of some e-forms with Registrar of the Companies	Delay in filing of some e-forms with the Registrar of Companies was due to imposition of lockdown to contain spread of Covid -19 pandemic.
2	Non-compliance of Regulation 18(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding constitution of Audit Committee during the period from 29 th July, 2020 to 21 st October, 2020	The Company reconstituted the Audit Committee w.e.f. 21 st October, 2020 in compliance with the provisions of Regulation 18(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; however the constitution of the Audit Committee was in compliance with the provisions of Section 177 of the Companies Act, 2013 during the said period. Being aggrieved upon imposition of penalty by the BSE Ltd. and National Stock Exchange of India Ltd., the Company has filed necessary applications before them for refund of the penalties imposed.

Your Company always endeavor to comply with all the applicable rules and regulations.

INTERNAL AUDITOR:

Pursuant to the provisions of Section 138 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit Committee, re-appointed Mr. Abhay Golwalkar, Chartered Accountant, Kolhapur as Internal Auditor of the Company. Internal Auditor submits his reports 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 risk. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following have been made part of the Annual Report and are enclosed / 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
- Auditors' certificate regarding compliance of conditions of Corporate Governance
- Business Responsibility Report

CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Pursuant to the provisions of Section 135 of the Act, read with Companies (Corporate Social Responsibility) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and has framed a policy on Corporate Social Responsibility. As part of its initiatives under CSR, the Company has identified various projects. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The details, as required under Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 and The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, are annexed as **Annexure IV** 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 and on arm's length basis and are reported in the Notes to Accounts on the Financial Statements.

The details of material related party transactions as referred to in Section 188(1) of the Companies Act, 2013 in the prescribed Form AOC-2 under Companies (Accounts) Rules, 2014 are given in **Annexure V** and forms part of this report.

In accordance with the provisions of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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/5d008e42360cb400017e598d/1560317680147/Related+Party+Transaction+Policy.pdf>

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

There have been no 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 or guarantees given or investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are given under Notes to Accounts on the Financial Statements forming part of this Annual 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 Companies Act, 2013, read with the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the rules'), 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 9010 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 Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer & Refund) Rules, 2016, during the financial year under review, an amount of Rs.6,24,578/- which remained unpaid and unclaimed dividend for the financial year 2012-13 was transferred to the IEPF account.

Further the unpaid and unclaimed dividend amount lying with the Company for the financial year 2013-14 is due to transfer to the IEPF in the month of August 2021. 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 Aradhye, Whole-Time Director and Chief Financial Officer of the Company as the Nodal officer effective from 21st October, 2016 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 Complaint 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 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 Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 details regarding Conservation of Energy, Technology absorption, Foreign exchange earnings and outgo are given as in **Annexure VI** 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.

ACKNOWLEDGEMENTS:

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 year under report.

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

Place : Kolhapur
Date : 14th May, 2021

**Nitin Menon
Executive Chairman
DIN : 00692754**

ANNEXURE I

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 ended 31 st March, 2021:	
Sr. No.	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1.	Mr. Nitin Menon	30.77
2.	Mr. R.D. Dixit	12.15
3.	Mr. Arun Aradhya	11.58
(Median remuneration of the employees of the Company for the financial year 2020-21 is Rs. 4.14 Lakhs).		
(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	25.17%
2.	Mr. R.D. Dixit	-37.12%
3.	Mr. Arun Aradhya	4.37%
4.	Ms. Neha Harolikar- CS (appointed w.e.f. 14.08.2020)	N.A.
(iii)	The percentage increase in the median remuneration of employees in the financial year.	10.34%
(iv)	The number of permanent employees on the rolls of the company	236
(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 9.99% while managerial remuneration is increased by -0.90%.
(vi)	We hereby confirm that the remuneration is as per the remuneration policy recommended by 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: 14 th May, 2021		Nitin Menon Executive Chairman DIN: 00692754

ANNEXURE II

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

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 (Amt. in Lakhs)	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	127.33	Contractual	B.Com / 27	01.10.1992	53	-	35.37*	-
2	Mr. R. D. Dixit	Managing Director	50.26	Contractual	B.E. Mech / 53	01.10.1992	78	-	Nil	-
3	Mr. Arun Aradhya	Whole Time Director & CFO	47.91	Permanent	M.Com, GDC&A, LLB (Spl), CA (Inter) / 44	31.01.2011	64	Ghatge Patil Transport, Kolhapur	0.00008	-
4	Mr. Ranjeet Babasaheb Bhosale	Chief Operating Officer	27.46	Permanent	B.E. Mech / 29	02.07.1992	55	Thyssen Group, Pune	0.00006	-
5	Mr. Nilesh Maniklal Tiwari	AGM	13.74	Permanent	DME, DBM, B.TECH (MECH.) / 18	24.08.2018	54	Maharashtra Scooters Ltd.	Nil	-
6	Mr. Shantaram Bapu Dhond	Assistant General Manager, Foundry	12.82	Permanent	B.E. / 25	06.10.2006	47	Mani Auto Component, Kolhapur	Nil	-
7	Mr. Prashant Dattatraya Hanamar	Sr. Manager	10.96	Permanent	B.E. / 28	14.07.1994	54	Xlo Mechine Tools Ltd, Thane	Nil	-
8	Mr. Ganpati Appaji Sankpal	Assistant General Manager, (Engineering Dept)	10.63	Permanent	ITI - Draughtsman Mech / 35	01.06.1992	56	Menon Piston Ltd., Kolhapur	0.004	-

9	Mr. Aditya Nitin Menon	Executive Assistant to MD	10.19	Permanent	M.E (UK) / 2	20.10.2019	23	-	5.79	Yes
10	Mr. Mane Avinash Rangrao	Deputy Manager	9.25	Permanent	BSC, MBA / 31	01.04.2020	57	MB Exports, Kolhapur	0.004	-
II	Remuneration includes Salary, Various allowances, Contribution to Provident Fund & taxable value of Perks.									
III	Name of employees who were employed throughout the Financial Year 2020-21 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 year									
	Employee Name	Designation	Educational Qualification	Age (years)	Experience (in years)	Date of Commencement of employment	Remuneration paid (in Rs. Lakhs)	Previous employment and designation		
	Mr. Nitin Menon	Executive Chairman	B.Com	53	27 years	1 st October, 1992	127.33	-		

* 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 : 14th May, 2021

Nitin Menon
Executive Chairman
DIN: 00692754

ANNEXURE - III
Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2021

[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** (CIN: L29130PN1991PLC062352) (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, 2021** ('Audit Period') generally 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 on 31st March, 2021 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) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit Period);
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (not applicable to the Company 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, 2009 (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, 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 review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, etc. mentioned above, *except in respect of following matters specified below:*

- a. *Delay in filing some e-forms with Registrar of the Companies; and*
- b. *Non-compliance of Regulation 18(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding constitution of Audit Committee during the period from 29th July, 2020 to 21st October, 2020.*

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive 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 notice were given to all directors to schedule the Board Meetings; 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 meeting.

All decisions at Board Meetings and Committee Meetings are carried out 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 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
UDIN: F006180C000306942

Place : Thane
Date : 14th May, 2021

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. In the wake of COVID-19 pandemic outbreak, 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 provided 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
M. No. FCS 6180 C.P. No. 11062
UDIN: F006180C000306942

Place : Thane
Date : 14th May, 2021

ANNEXURE IV

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 financial year	Number of Meetings of CSR Committee attended during the financial 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 (w.e.f. 29 th July, 2020)	Member, Whole Time Director	2	1
5	Mr. Santosh Prabhu (w.e.f. 22 nd October, 2020)	Member, Independent, Non-Executive Director	2	1

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 details 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 (attach the report): Not Applicable**5) Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:**

Sr. No.	Financial year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be setoff for the financial year, if any (in Rs)
Nil			

6) Average net profit of the company as per section 135(5): Rs. 2,933.32 Lakhs

- 7) (a) Two percent of average net profit of the company as per section 135(5) : Rs. 58.67 Lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
 (c) Amount required to be set off for the financial year, if any : NIL
 (d) Total CSR obligation for the financial year (7a+7b-7c) : Rs. 58.67 Lakhs

8) a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
58,66,638/-	1,02,02,000/-	23.04.2021, 27.04.2021 & 28.04.2021	N.A.	N.A.	N.A.

b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project (State & District)	Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial Year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation Direct (Yes/No)
1.	Construction of Auditorium at Gokul Shirgaon, MIDC, Kolhapur.	Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Yes	GOSHIMA, (Gokul Shirgaon Manufacturers Association), MIDC, Kolhapur, Maharashtra	3 years	2,25,00,000	38,04,212	1,02,02,000	YES

c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No	Name of the Projects	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project (in Rs.)	Mode of implementation Direct (Yes/No)
1.	Financial Assistance given for wrestling sport under promotion of rural sports	Training to promote rural sports, nationally recognised sports, paralympic sports and olympic sports	Yes	Kolhapur, Maharashtra, India	1,56,000/-	Yes
2.	Financial Assistance given for Enhancing Vocational skills to underprivileged labourers for preparation of Kolhapuri Chappals, Kolhapur	Promotion and development of traditional art and handicrafts	Yes	Kolhapur, Maharashtra, India	6,88,916/-	Yes
3.	Distribution of Masks, Medicines & sanitizers to public at large to support against Covid-19	Promoting health care including preventive health care and sanitisation and Disaster Management	Yes	Kolhapur, Maharashtra, India	1,39,326/-	Yes
4.	Multipurpose ICU Ventilator including its supporting set given to District Collector, Kolhapur to support in Covid-19 relief	Promoting health care including preventive health care and sanitization and Disaster Management	Yes	Kolhapur, Maharashtra, India	7,00,000/-	Yes
5.	Contribution given to Shivrajyabhishek Mahostav Samiti, Kolhapur (Assistance for purchase of first ever high tech ambulance)	Promoting health care including preventive health care and sanitization and Disaster Management	Yes	Kolhapur, Maharashtra, India	50,000/-	Yes
6.	Contribution given to Hasan Mushrif Foundation, Kolhapur for support of Covid-19 Hospital	Promoting health care including preventive health care and sanitisation and Disaster Management	Yes	Kolhapur, Maharashtra, India	25,000/-	Yes
7.	Assistance given to Janseva Yuva Shakti Sanghatana for further assistance towards underprivileged people	Eradicating hunger, poverty and malnutrition	Yes	Kolhapur, Maharashtra, India	10,000/-	Yes

8.	Contribution given to Latawade school, Kolhapur towards construction of school building towards promotion of rural education.	Promoting education	Yes	Kolhapur, Maharashtra, India	2,85,184/-	Yes
9.	Contribution given to Dattabal English Medium School towards tuition fees for education of economically backward girls	Promoting education	Yes	Kolhapur, Maharashtra, India	8,000/-	Yes

D) Amount spent in Administrative Overheads: NIL

E) Amount spent on Impact Assessment, if applicable: Not Applicable

F) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 58,66,638/-

G) Excess amount for set off, if any.

Sr. No	Particulars	Amount
I	Two percent of average net profit of the company as per section 135(5)	Rs. 58.67 Lakhs
II	Total amount spent for the Financial Year	Rs. 58.67 Lakhs
iii	Excess amount spent for the financial year [(ii)-(i)]	NIL
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v	Amount available for set off in succeeding financial years[(iii)-(iv)]	NIL

9) (a) Details of Unspent CSR amount for the preceding three financial years: (Rs. in Lakhs)

Sr. No	Preceding Financial year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	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 (in Rs.)
				Name of the fund	Amount (in Rs.)	Date of transfer	
1.	2019-20	3.14	1.27	-	-	-	1.87
2.	2018-19	Nil	Nil		Nil		Nil
3.	2017-18	Nil	Nil				Nil

9) b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sr. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing.
1.	N.A	Construction of Auditorium at Gokul Shirgaon, MIDC, Kolhapur (recognized as ongoing project during the financial year 31 st March, 2021)	2019-20	3 years	Rs. 2.25 Crores	Rs. 38.04 Lakhs	Rs. 55.02 Lakhs	Ongoing

10) In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

- (a) Date of creation or acquisition of the capital asset (s): None
 (b) Amount of CSR spent for creation or acquisition of capital asset: NIL
 (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
 (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable.

11) 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: 14th May, 2021

R. D. Dixit
 Managing Director
 DIN: 00626827

Nitin Menon
 Chairman, CSR Committee
 DIN: 00692754

ANNEXURE V**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)

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 2020-21.

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, Partnership Firm in which Director and his relatives are interested
2.	Nature of Contracts/arrangements/ transactions	Purchase/ Sale of goods and availing/rendering services
3.	Duration of the contracts / arrangements / transactions	1 st April, 2021 to 31 st March, 2024
4.	Salient terms of the contracts or arrangements or transactions including the value if any	F.Y. 2021-22- Rs. 4000 Lakhs F.Y. 2022-23- Rs. 4500 Lakhs F.Y. 2023-24- Rs. 5000 Lakhs
5.	Date of approval by Board	26 th May, 2020
6.	Amount paid as advance if any	NIL

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

Place : Kolhapur
Date : 14th May, 2021

Nitin Menon
Executive Chairman
DIN: 00692754

ANNEXURE VI

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 & offices of the Company. Following are the highlights:-

- Rest of the lights including in offices have been replaced by LED Lamps.
- Machines when not in use (particularly during the year) are immediately shut off.
- New sinter furnaces control panels fitted with thyrister controller to save energy.
- Heat generated from compressor is transmitted for heating of water replacing electric heaters.

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

The Company is in conversation with solar energy installing agencies for possibility of either installing roof top solar panels or for getting the energy from solar parks.

II. TECHNOLOGY ABSORPTION

Form of disclosure of particulars in respect of absorption of technology, research and development.

A. Technology Absorption, Adaptation & Innovation

1) Efforts in brief made towards Technology Absorption, Adaptation and Innovation	<p>At Menon Bearings</p> <ul style="list-style-type: none"> ● 400 ton press & forming synchronized with gantry automotion. ● Forming preses converted from manual loading to autoloading ● Saved substantially on account of raw material by reducing machining allowance.
2) Benefits derived as a result of above effort e.g. product improvement, cost reduction, product development etc.	<ul style="list-style-type: none"> ● Man power saving ● Chances of accident if any reduced ● Saving in consumption of vital raw material
3) In case of imported technology	NIL

B. Research and Development (R&D):

1	Specific areas in which R & D is being carried out by the company	During the year under report, the Company further improved the material i.e. S 94 (Particularly strength) which is BS-VI compliant. Further developed material for bushes & thrust washers which is copper based with bismuth
2	Benefits derived as a result of above	Increased the material strength & life of the component.
3	Future plan of action	The Company continues to develop material suitable for highload carrying capacity i.e for BSVI norm in lead free version.
4	Expenditure on R & D	a) Capital WIP: Nil b) Recurring: 37.71 Lakhs c) Total: 37.71 Lakhs d) Total R & D expenditure as a percentage of total turnover : 0.25%

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 U.S.A., U.K., Japan, Italy, France, China, Mexico, Brazil, etc.		
Total foreign exchange used and earned.		Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
Used	Imports	95.96	684.20
Earned	Direct Export	4,446.68	4,588.57
	Deemed Export	1,203.88	669.66

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

Place : Kolhapur
Date : 14th May, 2021

Nitin Menon
Executive Chairman
DIN: 00692754

Management Discussion and Analysis Report

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

Indian Economy Overview:

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

With an estimated annual contraction of 8% in GDP, 2020-21 has been the worst year in terms of economic performance in India since 1950-51.

While the Indian economy was losing growth momentum because of the COVID – 19 pandemic, the negative performance in 2020-21 is largely on account of the nationwide lockdown imposed on March 25, 2020 to prevent the spread of Covid-19 pandemic in the country, and continuing restrictions on economic and recreational activities for the rest of the year has severely impacted the economy and business. To be sure, the economy has been recovering with the easing of restrictions. India's GDP re-entered growth territory during the quarter ended December 2020.

With the economic activities gaining momentum post Covid 19 lockdown and rollout of coronavirus vaccines, the Indian economy is likely to do better than the projection of an 8 per cent shrinkage in the current fiscal, says Finance Ministry.

"Positive GDP growth in Q3 of FY21 – for the first time since the onset of the pandemic – adds to the positive sentiments as the economy is set to close the year with activity levels higher than measured in the second advance estimates of GDP," the report said.

The Reserve Bank's industrial outlook survey (IOS) conducted in Q3 of FY21 has also re-affirmed this optimism, with respondents indicating a strengthening of production, order books and employment during the third quarter, driven by easing of lockdowns, re-opening of businesses and improvement in the availability of finance from banks and internal sources.

However, emerge of second wave of COVID – 19 pandemic and local lockdowns announced by various state governments from time to time from March 21 will have further adverse impact on the Indian economic in general and on the Company in particular during the FY 22.

Industrial Review:

The production and demand of the auto component industry is directly proportional to that of the automobiles industry. Although a sizeable portion of auto components production caters to OEMs, the aftermarket or the replacement markets have emerged as crucial sources of revenue for the auto components industry over the past few years. In recent years, manufacturing of auto components is gradually gaining traction toward Asian countries such as China, India, and others due to the presence of higher market potential and low-cost manufacturing.

The Indian auto component industry, being a critical part of the OEM value chain, has grown at a healthy pace over the past few years. The organised segment of this industry includes OEMs who are engaged in the

manufacturing of high-value precision instruments, while the unorganized segment comprises of low-valued products catering to after-market services. One of the main challenges faced by the indigenous component manufacturers is the low-level of technology adaptation and R&D intensity.

A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment. As per Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026.

Covid-19 pandemic has resulted in lockdowns across the globe leading to plant closures, job losses, economic contraction and consequent decline in demand.

FY21 was a year of transition for the Indian auto components industry. The year presented fresh challenges in the form of outbreak of Covid-19 and the resultant supply side disruptions, loss in production of automobiles, rise in input costs, trade disruptions, etc. Alongside, the industry also witnessed business growth opportunities for the long term.

According to ACMA, the turnover of the auto components industry fell by 34% YoY to Rs 1.19 Lakh Crore (USD 15.9 bn) during H1-FY21. The second half of FY21 has shown a strong recovery. However, FY22 is expected to witness a positive growth of 18 to 20%, after two consecutive fiscals of de-growth. According to the recent ACMA-PwC joint survey of ACMA leadership, despite concerns of another wave of the pandemic, the industry is cautiously optimistic about the prospects of the Indian economy and the automotive sector for FY 22.

Achievements

Following are achievements in the past four years:

- * Production of two wheelers, passenger vehicles, commercial vehicles and three wheelers reached 21.03 million, 3.43 million, 0.75 million, and 1.13 million, respectively, in FY20.
- * Under National Automotive Testing and research and development (R&D) Infrastructure Project (NATRiP), various facilities including passive safety labs comprising of crash core facility and crash instrumentations including dummies were established at ICAT-Manesar and ARAI-Pune.

Futuristic Outlook:

The Indian auto-components industry is expected to become the third largest in the world by 2025 and Auto Components industry exports to grow 5X in next 10 years.

Keeping pace with the automotive industry, India's auto component industry has been flourishing.

Few trends that are favorable for the industry are as below:

- Growing working population and expanding middle class are expected to remain key demand driver.
- Reduction in excise duties in motor vehicles sector will spur the demand for auto components.
- Relative to competitors, India is geographically closer to key automotive markets like the middle East & Europe. India has a competitive advantage in auto components categories such as shafts, bearings and fasteners, this factor is likely to result into higher exports in coming years.
- 100 percent FDI is allowed under automatic route for auto component sector.
- In November, 2020 the Union Cabinet approved PLI Scheme in Automobile and Auto components with an approved financial outlay over a five-year period of Rs. 57,042 Crores.

- A cost-effective manufacturing base keeps costs lower by 10-25 percent relative to operations in Europe and Latin America.
- The announcement of an incentive-based vehicle scrappage policy, though voluntary, is expected to lead to a rise in automobile sales in the country, which is a direct benefit for the auto components industry.
- The shift from BS-4 to BS-6 norms, which though is at present an impediment for the industry, will place the industry on par with international regulations on safety and emissions in the long term.

As per Automobile Component Manufacturers Association (ACMA), automobile component export from India is expected to reach US\$ 80 billion by 2026. The Indian auto component industry aims to achieve US\$ 200 billion in revenue by 2026.

B. OPPORTUNITIES AND THREATS

The Opportunities Ahead:

- Increasing focus on after market
- Shift in sourcing base for large global distributors to India
- New business models likely to surface
- OEMS' to drive local suppliers to partner with global players to get access to better technology
- Opportunity for global OEM's to de-risk supply base- India offers strong credentials, established relationships and competitive cost proposition to become an alternative sourcing venue to China for global OEM's , hence, de-risking the supply base.
- Pursue export opportunities aggressively.
- Enhance import substitution.
- Plan activities towards Government's Make in India appeal and focus to manufacture everything from start to end locally and there by take benefit of Government's subsidies and boosters.
- Attract foreign direct investments as many global companies are presently looking at India as next destination to set up their plants & businesses as a shift from China after Covid-19 pandemic.

Threats:

At present the industry faces the following threats:

- a. Increasing cost of input raw materials.
- b. Uncertainty like lockdowns due to Covid-19 pandemic.
- c. Competition from unorganized players.

Future Challenges:

Multiple trends, which may have impact in shaping the future of the automotive and auto components industry, can be:

1. Technology upgradation:
The migration to BS-6 norms poses challenges for the Indian auto components manufacturers due to the technology-intensive nature of the management modules of BS-6. To bridge this gap, engaging in JVs with lead firms could play a pivotal role.
2. High tax:
Some of the auto-components are placed at the highest slab of GST in India.
3. Changing OEM needs.
4. Constantly shifting market dynamics due to changing manufacturing locales, customer demands,

- operating models and priorities.
5. Expedited enforcement of emission and safety standards
 6. Increasing prices of raw materials

C. SEGMENT-WISE / 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 to several applications. The Company's constant endeavor 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. Maximum turnover is recorded in Bearings and Bushes.

D. OUTLOOK:

The increase in the demand for the Company's products used in segments like Heavy Vehicles, tractors, powders 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 a 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 overview external and internal risks associated with the operations of the Company and carries out its impact assessment & effective implementation of the mitigation plans and risk reporting is conducted.

F. INTERNAL CONTROL SYSTEM AND ADEQUACY:

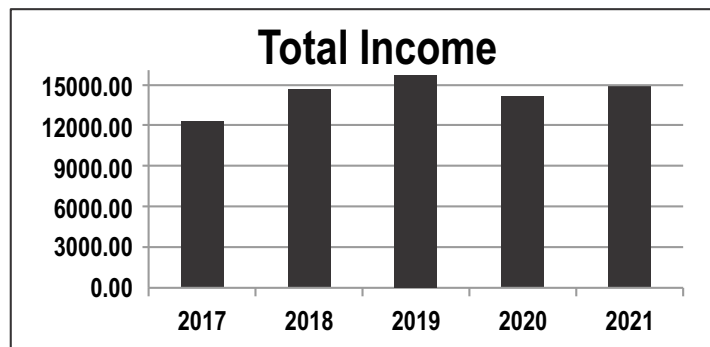
The Company has in place proper and adequate Internal Audit System that promotes reliable financial reporting, safeguards assets, encourages adherence to fair management and ethical conduct. Additionally, the Company has in place proper and adequate internal control systems which have been designed in a way that, they not only prevent fraud and misuse of the Company's resources but also protect shareholders' interest. Internal control systems comprises 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 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 compliance 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.

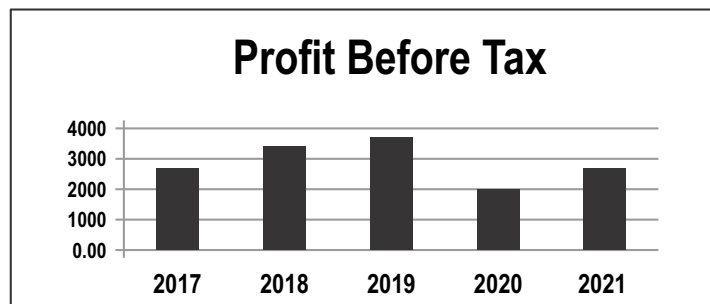
G. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Financial Performance:

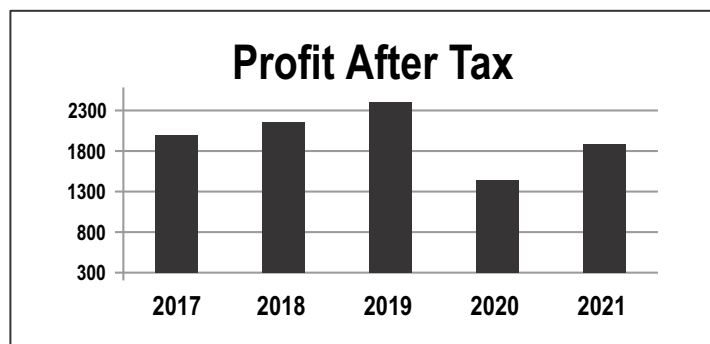
Financial Year	Income (Rs. in Lakhs)
2017	12422.18
2018	14678.20
2019	17541.38
2020	14035.59
2021	15090.09



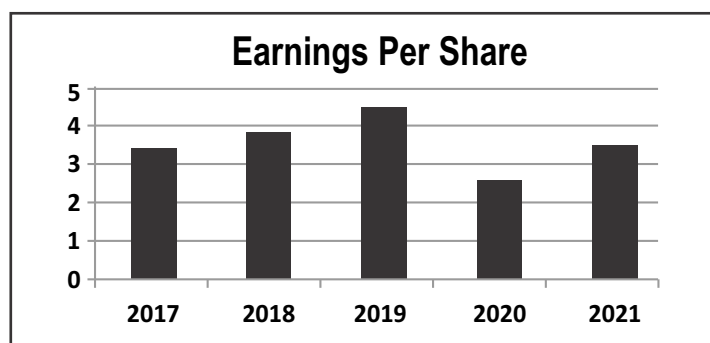
Financial Year	PBT (Rs. in Lakhs)
2017	2753.91
2018	3233.51
2019	3610.2
2020	1960.67
2021	2487.17



Financial Year	PAT (Rs. in Lakhs)
2017	1909.88
2018	2107.35
2019	2529.68
2020	1439.80
2021	1880.00



Financial Year	EPS (in Rs.)
2017	3.41
2018	3.76
2019	4.51
2020	2.57
2021	3.35



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 greatest asset. 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. Following the Covid-19 pandemic and lockdown relaxations, the Company's utmost priority has been health, safety and well-being of its employees.

As on 31st March, 2021 the Company had 236 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 optimize production activities to reduce electrical energy per unit of production,
4. To work on packing to enhance preservation and safety,
5. To develop new items in shortest possible time to have early business.

This is an ongoing process and projects are getting completed one by one and new projects are being undertaken. This has given increase in 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) (Amendment) Regulations, 2018, 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 ratio's as key financial ratio's.

Ratios	2020-21	2019-20	% change
Debtors Turnover	3.34	3.83	-12.92%
Inventory Turnover	3.30	2.78	19%
Interest Coverage Ratio	10.06	6.80	48%
Current Ratio	1.84	1.79	3%
Debt Equity Ratio	0.30	0.44	-32%
Operating Profit Margin %	18.85%	17.22%	9%
Net Profit Margin %	12.46%	10.26%	21%

Debt Equity ratio is improved as compared to immediately previous financial year on account of reduction in debt in financial year 2020-21 as compared to financial year 2019-20.

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 2020-21 is 19.04% as compared to 16.32% in the financial year 2019-20. During the financial year under review, return on Net Worth increased by 17% as compared to immediately previous financial year on account of increase 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, 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 the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. 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 the 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI 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) The 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 different 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 Employees, implementation and monitoring of CSR activities and the risk management framework.
- (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 a 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, compliance, 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 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2021, the total Board strength comprised of the following:

Executive Directors	3
Non-Executive Independent Directors	4
Total	7

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 times during a financial year. Additional meetings are held when necessary. The Directors are also given an option of attending the board meetings through video conferencing, whenever they request for the same. During the financial year under review, the Board of Directors duly met 4 (Four) times on 26th May, 2020, 29th July, 2020, 22nd October, 2020 and 27th January, 2021. The previous Annual General Meeting ('AGM') of the Company was held on 21st August, 2020. The attendance record of the directors at the Board Meetings and at last AGM is as under:

Sr. No.	Name of Director	Category	Attendance at meetings		As on 31 st March, 2021			Disclosure of relationship between Directors inter se	No. of Shares held
			Board	AGM	No. of Directorships in other Companies	No. of Committee positions held in other Companies			
						Membership	Chairmanship		
1.	Mr. Nitin Menon	Executive Chairman	4	No	-	-	-	Not Related	1,70,16,780
2.	Mr. R. D. Dixit	Managing Director	4	Yes	1	3	1	Not Related	Nil
3.	Mr. Arun Aradhya	Whole Time Director & CFO	4	Yes	-	-	-	Not Related	50
4.	Mr. Gajendra Vasa	Independent Director	2	No	1	-	-	Not Related	Nil
5.	Mr. M. L. Shinde *	Independent Director	4	Yes	-	-	-	Not Related	Nil

Sr. No.	Name of Director	Category	Attendance at meetings		As on 31 st March, 2021			Disclosure of relationship between Directors inter se	No. of Shares held
			Board	AGM	No. of Directorships in other Companies	No. of Committee positions held in other Companies			
						Membership	Chairmanship		
6.	Mrs. Kailash Nevagi	Independent Director	4	No	-	-	-	Not Related	Nil
7.	Dr. Santosh Prabhu	Independent Director	4	No	1	-	-	Not Related	Nil

*The term of Mr. M. L. Shinde as an Independent Non-executive Director of the Company completed on 28th January, 2021. He was appointed as an Additional Independent Non-executive Director of the Company for a term of 5 years w.e.f. 9th February, 2021, subject to the approval of the shareholders in their general meeting.

Note:

1. The other directorships held by directors as mentioned above do not include Alternate Directorships and directorships in foreign companies, Section 8 companies and Private Limited companies.
2. Membership/Chairmanship of Board Committees include only in Audit Committee and Stakeholders' Relationship Committee as required under Regulation 26(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015.
3. None of the Independent Directors, serve as an Independent Director in more than 7 (Seven) listed companies nor is a member in more than 10 (Ten) committees or act as Chairman of more than 5 (Five) committees.

2.3 Details of directorships including the category of directorships in listed entities as on 31st March, 2021:

Sr. No.	Name of Director	Names of the Listed entities where Directors are on Board	
		Name of Listed Company	Category
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 Ltd	Whole-Time Director & CFO
4.	Mr. Gajendra Vasa	Menon Bearings Ltd	Independent Director
5.	Mr. M. L. Shinde	Menon Bearings Ltd	Independent Director
6.	Mrs. Kailash Nevagi	Menon Bearings Ltd	Independent Director
7.	Dr. Santosh Prabhu	Menon Bearings Ltd	Independent 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 as on 31st March, 2021 is given below:

1. Mr. Nitin Menon, (DIN: 00692754) aged 53 years, is Promoter and Executive Chairman of the Company. He is 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 agriculture and allied services thereof.
2. Mr. R. D. Dixit, (DIN: 00626827) aged 78 years, is Managing Director of the Company. He is associated with the Company since 1992. He is a Bachelor of Engineering (Mech.). His excellence has served Menon Group for more than 53 years.
3. Mr. Arun Aradhya, (DIN : 03052587) aged 64 years, is Whole Time Director and CFO of the Company since 31st January, 2019 and is responsible for finance, corporate administration, corporate image and relationships. He is M.COM, LLB (Special). He has an extensive background and vast experience of more than 40 years in various fields like Banking, Finance, Insurance, Transport, Tourism, Telecommunication, Manufacturing, Industry etc. He is associated with the Company for more than 10 years.
4. Mr. M. L Shinde, (DIN: 07417527) aged 69 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. Mr. Gajendra Vasa, (DIN: 00461425) aged 82 years, is Independent Director of the Company since 30th December, 2017. He is an industrialist and has more than 55 years of experience in Trading and Engineering Industries.
6. Mrs. Kailash A. Nevagi, (DIN: 03011076) aged 62 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 & Director at Abhay Nevagi and Associates. She has more than 29 years of rich experience in every domain of law, ranging from family matters to cybercrime.
7. Dr. Santosh Prabhu, (DIN:00506595) aged 62 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 by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate meeting of the Independent Directors of the Company was held on 27th January, 2021 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;
- 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 programme 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 ended 31st March, 2021, Independent Directors were taken through various aspect of the Company's business and operations. The details of familiarization programmes imparted to the Independent Directors during financial year 2020-21 are placed on the website of the Company at <https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/5f1fa58321477e4ab0973a01/1595909508908/Familiarization+Programmes+For+Independent+Directors+Policy.pdf>

2.7 Key Board qualifications, expertise and attributes

The 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 ensuring that the Menon 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. Gajendra Vasa (Independent Director)	√	√	√	√	√	√	√
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 is circulated in the meeting) to enable the Board to take informed decisions. Agenda also includes minutes of the previous Board and Committees' meetings for the information of the Board. Agenda papers are circulated seven days prior to the Board Meeting. In case of any business exigencies, meetings are called and convened at shorter notice or the resolutions are passed by circulation and later placed in the subsequent Board/Committee 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 of 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Qualification of Directors) Rules, 2014, regarding enrollment in the Data Bank for Independent Directors as required under Notification dated 22nd October, 2019 issued by the Ministry of Corporate Affairs in this regard.

2.10 Reason of resignation of Independent Director:

None of the Independent Director of the Company resigned during the financial year ended 31st March, 2021 before completing their term of appointment.

2.11 Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Board of Directors (including independent directors) and senior management ('the Code') for all the Board members and all the employees in the management grade 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 in respect of the financial year ended 31st March, 2021 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Report.

2.12 Prevention of Insider Trading Code:

As per 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 Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc.

The Company Secretary & Compliance Officer of the Company acts as Secretary to 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, to review reports of the Internal and Cost Auditors. It also supervises the Company's internal control and financial reporting process. In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.

During the year under review, the Audit Committee met 4 (four) times on 26th May, 2020, 29th July, 2020, 22nd October, 2020 and 27th January, 2021 and the gap between two committee meetings did not exceed one hundred and twenty days.

3.1 Composition and Attendance:

Sr. No.	Name of the Member	Status	No. of Meetings	
			Held	Attended
1	Mr. M. L. Shinde*	Chairman	4	4
2	Mr. R. D. Dixit	Member	4	4
3	Mr. Gajendra Vasa	Member	4	2
4	Mrs. Kailash A. Nevagi	Member	4	4
5	Mr. Arun Aradhya**	Member	2	2
6	Mr. Santosh Prabhu***	Member	1	1

*Upto 27th January, 2021; again appointed as member and Chairman of the Committee w.e.f. 15th February, 2021.

** Appointed as member of the Committee w.e.f. 29th July, 2020, ceased to be member w.e.f. 27th January, 2021; again appointed as member of the Committee w.e.f. 15th February, 2021.

*** Appointed as member of the Committee w.e.f. 22nd October, 2020.

3.2 Terms of reference:

The terms of reference of the Audit Committee are as per the guidelines set out in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Section 177 of the Companies Act, 2013. These broadly includes (i) develop an annual plan for Committee (ii) review of financial reporting processes, (iii) review of risk management, internal financial controls and governance processes, (iv) discussions on quarterly, half yearly and annual financial statements, (v) interaction with statutory, internal and cost auditors, (vi) recommendation for appointment, remuneration and terms of appointment of auditors and (vii) risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

- Matter to be included in the Director's Responsibility Statement.
- Changes, if any, in the accounting policies.
- Major accounting estimates and significant adjustments in financial statement.
- Compliance with listing and other legal requirements concerning financial statements.
- Disclosures in financial statement 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.
- Review the functioning of the Vigil mechanism.

4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Nomination and

Remuneration Committee. The Nomination and Remuneration Committee, *inter alia*, recommends the appointment / reappointment of executive directors and senior management personnel of the Company and remuneration payable to them.

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

During the year under review, the Nomination and Remuneration Committee met 3 times on 26th May, 2020, 29th July, 2020 and 27th January, 2021.

4.1 Composition and Attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. M. L. Shinde*	Chairman	3	3
Mr. Gajendra Vasa	Member	3	1
Mrs. Kailash A Nevagi	Member	3	3
Mr. Santosh Prabhu**	Member	1	1

*Upto 27th January, 2021; again appointed as member and Chairman of the Committee w.e.f. 15th February, 2021.

** Appointed as member of the Committee w.e.f. 22nd October, 2020.

4.2 Terms of reference:

The Committee is empowered to—

- Formulate criteria for determining qualifications, positive attributes and independence of Directors and evaluating the performance of the Board of Directors.
- 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 a policy relating to remuneration of the 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/5d009f0258660d00014f_fee2/1560322084639/Policy+for+Appointment+of+Director%2C+KMPs+and+Senior+Management+Perssonel.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/56f8c35c4d088eb411a0883b/1459143658277/Terms+of+Appointment+of+Independent+Director.pdf>

4.3 Performance evaluation criteria of Independent Directors:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has evaluated the performance of each Independent Director.

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
- Overall interaction with the other members of the Board.

5. STAKEHOLDER'S RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has duly constituted the Stakeholders' Relationship Committee. The Committee is empowered to oversee the redressal of investors' complaints pertaining to Share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfer/transmission/demat/ remat of shares 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.

During the year under review, the Stakeholders' Relationship Committee met 4 (four) times on 26th May, 2020, 29th July, 2020, 22nd October, 2020 and 27th January, 2021.

5.1. Composition and attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Gajendra Vasa	Chairman	4	1
Mr. R. D. Dixit	Member	4	4
Mr. Nitin Menon	Member	4	4
Mr. Santosh Prabhu*	Member	1	1

*Appointed as member of the Committee w.e.f 22nd October,2020.

The Company Secretary and Compliance Officer of the Company acts as a secretary to the Committee. Status of investors' complaints handled by the Company and its Registrar & Share Transfer Agents during the year 2020-21 are as under:

Opening balance at the beginning of the year	Nil
Received during the year	2
Disposed during the year	2
Closing balance at the end of the year	Nil

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

Pursuant to the provisions of Section 135 of the Companies Act, 2013, the Board of Directors has duly constituted the Corporate Social Responsibility (CSR) Committee. During the year under review, the Committee met two times on 26th May, 2020 and 27th January, 2021.

6.1. Composition and attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Nitin Menon	Chairman	2	2
Mr. R. D. Dixit	Member	2	2
Mr. M. L. Shinde*	Member	2	2
Mr. Arun Aradhya**	Member	1	1
Mr. Santosh Prabhu***	Member	1	1

*Upto 27th January, 2021; again appointed as member of the Committee w.e.f. 15th February, 2021.

** Appointed as member of the Committee w.e.f. 29th July, 2020.

*** Appointed as member of the Committee w.e.f. 22nd October, 2020.

6.2 Terms of reference:

- To frame the CSR Policy and CSR Annual 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.
- To ensure compliance with the laws, rules and regulations governing the CSR and to periodically report to the Board of Directors.

7. RISK MANAGEMENT COMMITTEE

During the financial year ended 31st March, 2021, the Company was not required to constitute Risk Management Committee under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

8. REMUNERATION OF DIRECTORS

- 8.1 The Non-Executive Directors had no pecuniary relationship or transactions with the Company during the financial year ended 31st March, 2021.
- 8.2 Non-Executive Directors did not draw any remuneration from the Company. Sitting fees to Non-executive and Independent Directors is being paid at the rate of Rs. 1,000 for each meeting of the Board and Committees attended by them.
- 8.3 Details of remuneration/sitting fees paid during the financial year ended 31st March, 2021 are as follows:

(Rs. in Lakhs)

Name of the Director	Salary	Contribution to Provident Fund	Other Perquisites	Sitting Fees	Total
Mr. Nitin Menon	123.32	4.01	-	-	127.33
Mr. R. D. Dixit	46.32	3.94	-	-	50.26
Mr. Arun Aradhya	45.65	2.26	-	-	47.91
Mr. M. L. Shinde	Nil	Nil	Nil	0.04	0.04
Mr. Gajendra Vasa	Nil	Nil	Nil	0.02	0.02
Mrs. Kailash A. Nevagi	Nil	Nil	Nil	0.04	0.04
Dr. Santosh Prabhu	Nil	Nil	Nil	0.04	0.04

Note: The above details of remuneration or fees paid include all elements of remuneration package of individual director summarized under major groups.

- Apart from the above mentioned remuneration or fees paid, there are no other fixed components and performance linked incentives based on the performance criteria.
- 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. There is no separate provision for payment of severance fees.
- 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 the 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 Number : 0231-2672 278
- Written Communication to : 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.
- 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 all reported cases of suspected fraud, misconduct, unethical behavior;
- 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 & procedure and review of internal control systems;
- Annual review of the policy.

10. INTERNAL COMPLAINT 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 existing policy has been amended by incorporating the rules and procedures as mandated in the notification issued by Ministry of Woman & Child Development on 9th December, 2013. 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.

10.1 Composition:

Name of the Members	Designation
Mrs. Kailash A. Nevagi	Chairperson
Mr. R. D. Dixit	Member
Ms. Neha Harollikar	Member

No complaint was received during the financial year ended 31st March, 2021, nor any complaint was pending at the beginning and end of the financial year.

11. GENERAL BODY MEETINGS**11.1 Annual General Meetings:**

The Company convenes Annual General Meeting generally within five months from the close of the Financial Year. The details of Annual General Meetings held in last 3 years are as under:

Financial Year	Date	Location	Time
2019-20	21 st August, 2020	Through Video Conferencing	11.00 a.m.
2018-19	18 th July, 2019	Residency Club, P.O. New Palace, Kolhapur - 416003, Maharashtra.	11.00 a.m.
2017-18	21 st July, 2018		10.00 a.m.

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

Date of AGM	Description of Resolution
21 th August, 2020	No special resolution was passed
18 th July, 2019	No special resolution was passed.
21 st July, 2018	1. Re-appointment of Mr. Nitin Menon as Vice Chairman and Joint Managing Director of the Company. 2. Re-appointment of Mr. R. D. Dixit as Chairman and Managing Director of the Company.

11.3 Postal Ballot

During the year under review, no resolution was passed by means of postal ballot. None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing a Special Resolution through Postal Ballot.

12. MEANS OF COMMUNICATION:

The Company has published its Quarterly Results as per the details mentioned below:

News Papers	Date of Board Meetings	Date of Publication
Business Standard (English - All India Edition) Pudhari (Marathi)	26 th May, 2020	Due to Covid-19 pandemic, exempted from publication of results in newspapers.
Business Standard (English - All India Edition) Pudhari (Marathi)	29 th July, 2020	30 th July, 2020

News Papers	Date of Board Meetings	Date of Publication
Business Standard (English - All India Edition) Pudhari (Marathi)	22 nd October, 2020	23 th October, 2020
Business Standard (English - All India Edition) Pudhari (Marathi)	27 th January, 2020	28 th January, 2021

Website: The Company's website i.e. www.menonbearings.in contains a separate dedicated section 'Investor Relations' 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 year 2020-21 are made available on the website of the Company.

13. GENERAL SHAREHOLDERS' INFORMATION:

13.1 Annual General Meeting:

Day & Date : Friday, 30th July, 2021
Time : 11.00 a.m.
Venue : Through Video Conferencing

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 24th July, 2021 to 30th July, 2021, (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. 23rd July, 2021. Remote e-voting shall remain open from 27th July, 2021 (9.00 a.m.) till 29th July, 2021 (5.00 p.m.).

13.6 Listing on Stock Exchanges:

- a. The equity shares are listed at the following Stock Exchanges:

Name of the Stock Exchanges

Scrip Code / Symbol

BSE Ltd.

Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai - 400 001.

Scrip Code: **523828**

National Stock Exchange of India Ltd.

Exchange Plaza, 5th 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 share :INE071D01033 (having face value of Re.1/-)
 c. Corporate Identity Number (CIN) : L29130PN1991PLC062352
 d. The Company has paid listing fees for the financial year 2021-22 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 on BSE Ltd. and at 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:

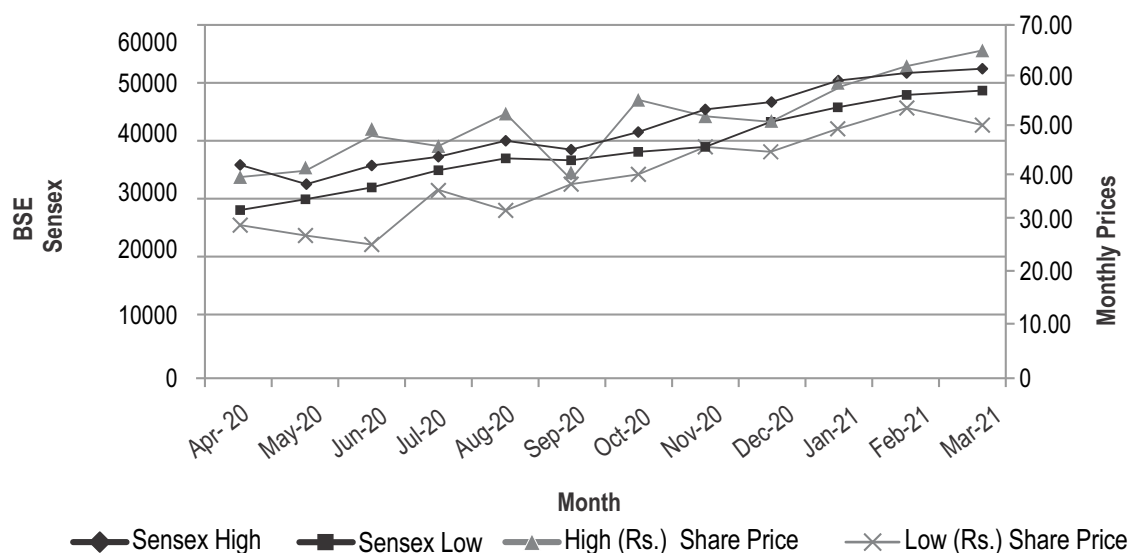
Month-Year	NSE NIFTY 50		Share price of the Company on NSE		BSE SENSEX		Share price of the Company on BSE	
	High (Points)*	Low (Points)*	High (Rs.)*	Low (Rs.)*	High (Points)**	Low (Points)**	High (Rs.)**	Low (Rs.)**
Apr-20	9889.05	8055.80	38.70	28.20	33887.25	27500.79	38.00	28.20
May-20	9598.85	8806.75	34.95	29.00	32845.48	29968.45	40.50	28.20
Jun-20	10553.15	9544.35	45.00	30.00	35706.55	32348.10	48.45	27.00
Jul-20	11341.40	10299.60	46.50	36.20	38617.03	34927.20	46.00	36.15
Aug-20	11794.25	10882.25	51.85	37.00	40010.17	36911.23	51.90	33.00
Sep-20	11618.10	10790.20	44.75	37.10	39359.51	36495.98	44.45	37.50
Oct-20	12025.45	11347.05	56.85	37.75	41048.05	38410.20	56.95	38.25
Nov-20	13145.85	11557.40	51.95	46.60	44825.37	39334.92	51.90	46.30
Dec-20	14024.85	12962.80	51.60	44.50	47896.97	44118.10	51.65	44.90
Jan-21	14753.55	13596.75	57.95	49.00	50184.01	46160.46	58.80	48.10
Feb-21	15431.75	13661.75	61.90	52.85	52516.76	46433.65	62.00	51.75
Mar-21	15336.30	14264.40	64.70	51.10	51821.84	48236.35	64.15	50.05

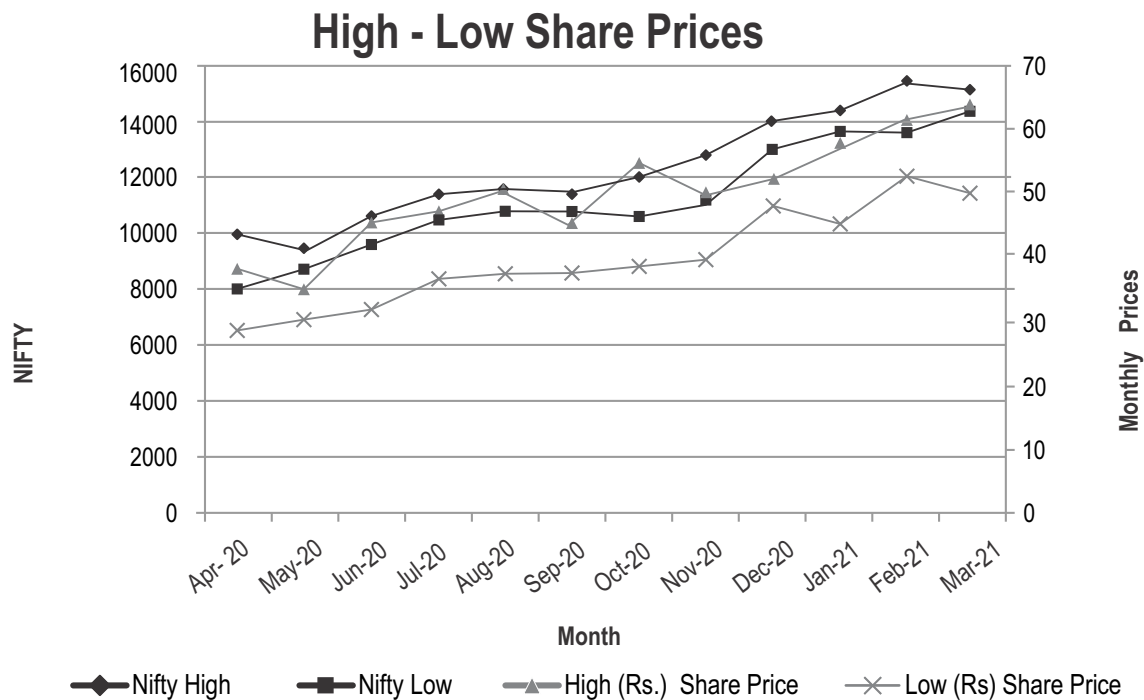
Source: *www.nseindia.com

**www.bseindia.com

13.8 Performance in comparison to broad based indices:

High - Low Share Prices





13.9 Trading of Securities: The securities of the Company were not suspended from trading during the year 2020-21.

13.10 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

13.11 Share Transfer System:

In terms of Regulation 40(1) of SEBI 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, SEBI has 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 effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Company Secretary) are authorized by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

13.12 Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries the Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

This audit is carried out every quarter and the report thereon is submitted to stock exchanges and is also placed before the Board of Directors. No discrepancies were noticed during the financial year ended 31st March, 2021.

13.13 Distribution of Shareholding:

The shareholding distribution of the equity shares as on 31st March, 2021 is given below:

Shareholding by Nominal Value	No. of Shareholders	% of Total	No. of Shares	% of Total
1 - 500	10680	70.45	12,93,694	2.31
501-1000	1136	7.49	9,02,882	1.61
1001-2000	1985	13.10	25,41,220	4.54
2001-3000	606	4.00	14,94,089	2.67
3001-4000	193	1.27	6,90,945	1.23
4001-5000	113	0.75	5,34,936	0.95
5001-10000	279	1.84	19,07,045	3.40
10001 & Above	167	1.10	4,66,75,189	83.29
Total	15159	100.00	5,60,40,000	100.00

13.14 Shareholding Pattern as on 31st March, 2021:

Sr.No.	Category	Total No. of Shares held (of Re. 1/- each)	% of Total Shareholdings
1.	Corporate Bodies (Promoter Co)	1,36,19,800	24.30
2.	Clearing Members	25,596	0.05
3.	Other Bodies Corporate	2,62,839	0.47
4.	Directors	1,70,16,830	30.37
5.	Financial Institutions	187	0.0003
6.	Hindu Undivided Family	3,88,399	0.69
7.	Unclaimed Shares	3,23,200	0.58
8.	Non Resident Indians	1,47,941	0.26
9.	Non Resident (Non Repatriable)	1,43,001	0.25
10.	Public	1,26,60,671	22.59
11.	Relatives of Director	92,91,920	16.58
12.	Foreign Portfolio Investors (Corporate)	13,53,644	2.42
13.	Investor Education And Protection Fund	8,05,972	1.44
	Total	5,60,40,000	100

13.15 Dematerialization of Shares and liquidity:

The process of conversion of shares from physical form to 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 DP. The DP will allocate a demat request number and shall forward the request physically and electronically through NSDL/CDSL to Registrar & 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, 2021, about 94.72% of the Company's Equity Shares were held in dematerialized form.

13.16 Non-resident Shareholders:

The non-resident shareholders are requested to notify the following to the Company in respect of shares held in physical form and to their depository participants in respect of shares held in dematerialized form:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement
- Particulars of Bank Account maintained with a Bank in India, if not furnished earlier
- RBI permission reference number with date to facilitate credit of dividend in their bank account.

13.17 Convertible Instruments:

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

13.18 Commodity Price risk or foreign exchange risk and hedging activities:

The Company is exposed to the risk of price fluctuations while exporting the bearings, which are 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 team 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.

13.19 Plant Location

G-1, MIDC, Gokul Shirgaon Kolhapur - 416234, Maharashtra.	C-1 Five Star MIDC, Kagal, Kolhapur – 416236, Maharashtra.	B-2, Gokul Shirgaon, MIDC, Kolhapur- 416234, Maharashtra.
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13.20 Registered Office:

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

13.21 Address for correspondence:

For any assistance regarding de-materialization of shares, share transfers, transmissions, 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.
Tel: 0231-2672 279/533/487, Fax: 0231-2672 278
E-mail: admin@menonbearings.in

13.22 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 ended 31st March, 2021, hence was not required to take any Credit rating for such instruments or deposits.

13.23 Dividend History :

Financial Year	Dividend amount per share	Percentage
2013-14	Rs. 3.00 per share (Face value Rs. 5/-)	60%
2014-15	Rs. 0.80 per share (Face value Re. 1/-)	80%
2015-16 (Interim Dividend)	Re. 1.00 per share (Face value Re. 1/-)	100%
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)	Re. 0.25 per share (Face value Re. 1/-)	25%
2018-19	Re. 1.50 per share (Face value Re. 1/-)	150%
2019-20 (1 st Interim Dividend)	Re. 1.25 per share (Face value Re. 1/-)	125%
2019-20 (2 nd Interim Dividend)	Re. 1.25 per share (Face value Re. 1/-)	125%
2020-21 (Interim Dividend)	Re. 1.50 per share (Face value Re. 1/-)	150%

13.24 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
2013-14	Rs. 3.00	23 rd July, 2014	29 th August, 2021
2014-15	Rs. 0.80	14 th July, 2015	20 th August, 2022
2015-16	Re. 1.00	11 th March, 2016	17 th April, 2023
2016-17	Re. 1.00	09 th February, 2017	18 th March, 2024
2017-18	Re. 0.75	20 th July, 2017	26 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

14. DISCLOSURES

14.1 Related Party Transactions:

All transactions entered into with related parties as defined under the Act, and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2021 were in the ordinary course of business and 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 ended 31st March, 2021 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 the notes to the Financial Statements, forming part of the Annual Report. The Board has approved a policy for related party transactions which can be accessed at the Company's website at:

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/5d008e42360cb400017e598d/1560317680147/Related+Party+Transaction+Policy.pdf>

14.2 Compliance by the Company:

The Company has complied with all the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as the regulations and guidelines of SEBI. There were no strictures or penalties imposed by either SEBI or Stock Exchanges or any other statutory authorities for non-compliance of any matter related to the capital markets during the last three years except penalties imposed by the National Stock Exchange of India Ltd. and BSE Ltd. for non-compliance under Regulation 18(1) of the SEBI (LODR) Regulations, 2015, during the period from 29th July, 2020 to 22nd October, 2020, which was subsequently complied with.

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 ended 31st March, 2021, no person was denied access to the Audit Committee.

14.4 Compliance with mandatory / discretionary requirements under Regulation 27 read with Schedule II Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has complied with all mandatory requirements under Regulation 27 and Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The status of compliance with non-mandatory recommendations under Regulation 27 and Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is provided below:

- Separate posts of Chairman and CEO : The Company has separate Chairman and Managing Director or Chief Executive Officer.
- 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 and he attends the meetings of the Audit Committee and presents his observations 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 Subsidiary companies:

During the financial year ended 31st March, 2021, the Company had no subsidiary. As required under SEBI 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/5d009f0258660d00014f0002/1560322084639/Policy+for+Appointment+of+Director%2C+KMPs+and+Senior+Management+Personnel.pdf>

14.7 CEO/CFO Certification:

As required under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from Mr. R. D. Dixit, Managing Director and Mr. Arun Aradhya, Whole Time Director & Chief Financial Officer of the Company certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs, was placed before the Board.

14.8 Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the financial year ended 31st March, 2021 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

14.9 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year ended 31st March, 2021.

14.10 Recommendation by Committee:

The Board has accepted all recommendations made by its committees during the financial year ended 31st March, 2021.

14.11 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:

(Rs. in Lakhs)

Nature of Payments	Amount
Statutory Audit	3.25
Tax Audit	-
Other Services including reimbursement of expenses	0.99
Total	4.24

14.12 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

14.13 Compliance of the requirement of Corporate Governance Report:

During the financial year ended 31st March, 2021 the Company has complied with the requirements of Corporate Governance Report of sub paras (2) to (10) of the Point C of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

14.14 Disclosure of the compliance with Corporate Governance:

The Company has complied with the Regulations 17-20, 22-23, 24A, 25-27 and Clauses (b) to (i) of sub-regulations (2) of Regulation 46 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, during the financial year ended 31st March, 2021. Regulations 21 and 24 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

14.15 Compliance Certificate for Code of Conduct:

The declaration by Managing Director affirming compliance of Board and Senior Management Personnel to the Code of Conduct is also annexed herewith and forms part of this Report as per Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

14.16 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 Companies (Indian Accounting Standards) Rule, 2015 and provisions of Companies Act, 2013 to the extent notified and applicable.

14.17 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, 2020	-	-
Transferred during the financial year	527	3,23,200
Shareholders who approached the Company for transfer of shares from suspense account during the year	-	-
Shareholders to whom shares were transferred from the suspense account during the year	-	-
Shareholders whose shares are transferred to the demat account of the IEPF Authority as per Section 124 of the Act	-	-
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on 31 st March, 2021	527	3,23,200

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

14.18 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which is annexed herewith and forming part of this Report.

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

As per Regulation 17 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I, R. D. Dixit, Managing Director do hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with Code of Conduct of the Company during the financial year ended 31st March, 2021.

Place: Kolhapur
Date: 14th May, 2021

R. D. Dixit
Managing Director
DIN: 00626827

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE
(Pursuant to Regulation 34(3) read with Schedule V Part C Sub-clause 10(i) of 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.

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, Gokul Shirgaon, Kolhapur – 416234, Maharashtra (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) 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 on 31st March, 2021 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 Ram Menon	00692754	01/04/1995
2	Mr. Ramesh Dattatraya Dixit	00626827	01/04/1992
3	Mr. Santosh Kamlesh Prabhu	00506595	24/10/2018
4	Mr. Gajendra Thakarshi Vasa	00461425	30/12/2017
5	Mrs. Kailash Abhay Nevagi	03011076	16/04/2018
6	Mr. Arun Ramchandra Aradhya	03052587	31/01/2019
7	Mr. Mukund Laxmanrao Shinde	07417527	29/01/2016

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 such 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

Place : Thane
 Date : 14th May, 2021

CS Manish Baldeva
Proprietor
 M. No. FCS 6180 C.P. No. 11062
 UDIN: F006180C000307030

BUSINESS RESPONSIBILITY REPORT

Pursuant to Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"),

SECTION A – GENERAL INFORMATION ABOUT THE COMPANY

1.	Corporate Identity Number (CIN) of the Company	L29130PN1991PLC062352
2.	Name of the Company	Menon Bearings Limited
3.	Registered address	G-1, MIDC, Gokul Shirgaon, Kolhapur-416234, Maharashtra.
4.	Website	www.menonbearings.in
5.	E-mail Id	admin@menonbearings.in
6.	Financial Year reported	1 st April, 2020 to 31 st March, 2021
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Manufacture of bearings, gears, gearing and driving elements (NIC CODE 3563)
8.	List three key products / services that the Company manufacture / provides (as in Balance Sheet)	Bearings, Bushes and Thrust Washers and Alumimum Die Casting Components
9.	Total number of locations where business activity is undertaken by the Company a) Number of International Locations b) Number of National Locations	Nil 3 (Three) located at Kolhapur, Maharashtra, India.
10.	Markets served by the Company - Local / State / National / International	The Company's products are sold in both National and International Markets.

SECTION B – FINANCIAL DETAILS OF THE COMPANY

1.	Paid up Capital (INR)	Rs. 560.40 Lakhs consisting of 5,60,40,000 equity shares of Re. 1/- each.
2.	Total turnover (INR)	Rs. 14,786.70 Lakhs
3.	Total Profit/ (loss) after Taxes (INR)	Rs. 1,880.00 Lakhs
4.	Total Spending on Corporate Social Responsibility (CSR) as Percentage of profit after tax (%)	3.12%
5.	List of activities in which expenditure in point no. 4 has been incurred	The details of the activities undertaken during the financial year towards CSR obligations are provided in a separate section in this Annual Report as 'Annexure IV' to the Board's Report (Annual Report on CSR Activities).

SECTION C – OTHER DETAILS

1	Does the Company have any Subsidiary Company / Companies?	The Company does not have any subsidiaries.
2.	Do the Subsidiary Company / Companies participate in the BR initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	N.A.
3.	Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? (Less than 30%, 30-60%, more than 60%)	No

SECTION D – BR INFORMATION**1. Details of Director / Directors responsible for BR****(a) Details of the Director / Directors responsible for implementation of the BR policy / policies**

1	DIN	03052587
2	Name	Mr. Arun Aradhya
3	Designation	Whole Time Director & CFO

(b) Details of the BR Head

1	DIN (if applicable)	03052587
2	Name	Mr. Arun Aradhya
3	Designation	Whole Time Director & CFO
4	Telephone No.	0231-2672279
5	Email ID	admin@menonbearings.in

2. Principle-wise (as per NVGs) BR policy / policies

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. Briefly these are as follows:

Principle No.	Name of the Principle
P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
P3	Businesses should promote the well-being of all employees.
P4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect, and make efforts to restore the environment.
P7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for...	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', released by the Ministry of Corporate Affairs, Companies Act and various SEBI Regulations								
4.	Has the policy been approved by the Board? If yes, has it been signed by MD / Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.menonbearings.in								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal and external stakeholders through the Company's website www.menonbearings.in								
8.	Does the Company have in-house structure to implement the policy/policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders grievances related to the policy/policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?.	The policies are evaluated internally from time to time and updated whenever required.								

b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-	-	-	-	-	-	Y	-	-
3.	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-

4.	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5.	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6.	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. Governance related to BR

a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO meet to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

- The Board of Directors of the Company shall review BR performance, either directly or through its Committees, on annual basis or whenever required.

b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

- The Company is publishing its Business Responsibility Report from this financial year. Subject to the provisions of the SEBI (LODR) Regulations, 2015, BR will be published annually, as part of the Annual Report and can be accessed at <https://menonbearings.in/investor-relations/annualreports>

SECTION E – PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1) Does the policy relating to ethics, bribery and corruption cover only the Company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Ans: Yes, policy relating to ethics, bribery and corruption covers the company only. The Company does not have Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others.

2) How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

Ans: Total 8 complaints were received from the stakeholders during the financial year 2020-21, and all have been resolved satisfactorily. Complaints/grievances from other stakeholders are dealt with on an ongoing basis. No major complaints were received.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

1) List upto 3 of your products or services whose design has incorporated social or environmental concerns, risks and / or opportunities.

Ans: Following products and their designs have incorporated social or environmental concerns, risks and opportunities:

- a) Aluminum Tin Bearings
- b) Aluminum Tin Bushes
- c) Aluminum Die Castings

The Company places a significant emphasis on quality and technology. The quality systems of the Company have been certified to ISO:9001-2015, IATF 16949. The Company has invested in manufacturing equipment that ensures consistent quality production by following all safety measures. The Company arranges safety training for all its workers and as well as contractual workers every year.

2) For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (i) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?
- (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

Ans: There has been a reduction but same can not be quantified.

3) Does the Company have procedure in place for sustainable sourcing (including transportation)?

- (a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

Ans: The Company continually works with its vendors and suppliers to reduce the environmental impacts of sourcing. Over the period of time, the Company has developed standard practices for ensuring sustainable development and has included them as one of the selection criteria for its vendors and suppliers. As such the Company prefers to enter into long term commitments with its business partners who fulfil their responsibility towards society as well as environment. The Company take initiatives to improve awareness about legal compliances, enhance eco-friendly efficiencies, packaging / logistics improvements.

4) Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

- (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Ans: Yes. While the criteria for selection of goods and services is quality, reliability, and price, we give preference to small organizations / MSME vendors. Procurement of materials from local sources is a strategy adopted by us since it reduces time, cost, and efforts in procurement, provides local employment opportunities and a reduced environmental footprint in sourcing.

5) Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%) Also provide details thereof, in about 50 words or so.

Ans: Yes, waste which are generated in-house are recycled in time. Being environmentally cautious and

waste sensitive, over 100% of the waste is managed, with less than 0% going into landfills. The Company is committed towards increasing waste efficiency for all its manufacturing sites.

Principle 3: Businesses should promote the well - being of all employees.

1) Please indicate the Total number of employees.

Ans: 236 (including woman employees) permanent employees as on 31st March, 2021 in the Company.

2) Please indicate the Total number of employees hired on temporary / contractual / casual basis.

Ans: Total 508 employees were hired on temporary/contractual/casual basis during the financial year ended 31st March, 2021.

3) Please indicate the Number of permanent woman employees.

Ans: There were 2 permanent woman employees as on 31st March, 2021 in the Company.

4) Please indicate the Number of permanent employees with disabilities.

Ans: Nil

5) Do you have an employee association that is recognised by management

Ans: Yes, the Company has one recognised employees' association namely Bhartiya Kamgar Karmachari Mahasanga.

6) What percentage of your permanent employees are members of this recognised employee association?

Ans: 38% permanent employees are members in the aforementioned recognized employees' association.

7) Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending as on the end of the financial year.

Ans: No complaints relating to child labour, forced labour, involuntary labour, sexual harassment was received during the financial year 2020-21. No complaint was pending either at beginning or at the end of the financial year.

8) What percentage of your under mentioned employees were given safety & skill up-gradation training, in the last year?

Ans: (a) Permanent Employees - 100 % (b) Permanent Woman Employees - 100%
c) Casual / Temporary / Contractual Employees - 75 % (d) Employees with disabilities – Not Applicable.

Principle 4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1) Has the Company mapped its internal and external stakeholders? Yes/No.

Ans: Yes.

2) Out of the above, has the Company identified the disadvantaged, vulnerable and marginalized stakeholders.

Ans: Yes. The identification of the disadvantaged, vulnerable and marginalised stakeholders is an on-going process and the Company is committed to the welfare of marginalised and vulnerable sections of the society through its various CSR activities.

3) Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Ans: Yes. Please refer Principle 8

Principle 5 – Businesses should respect and promote human rights.

1) Does the policy of the Company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Ans: It covers the company only.

2) How many stakeholder complaints have been received in the past financial year and what percent were satisfactorily resolved by the Management?

Ans: No complaints relating to violation of human rights were received during the financial year.

Principle 6 – Business should respect, protect and make efforts to restore the environment.

1) Does the policy related to Principle 6 cover only the Company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Ans: The Company has a dedicated Policy/Standard Operating Procedure (SOP) for its environmental requirements. The Company encourages all its external stakeholders to strictly adhere to safety and restoration of the environment. The Company aims to achieve excellence in environment protection, health management and safety across its businesses. The Company's policy on Health and Safety encourages its employees to be more ecologically aware and to be more cautious in pre-empting potential threats by developing relevant measures to address them.

2) Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyperlink for webpage etc.

Ans: Yes, the Company has taken initiatives to control environmental impact or influence considering a life cycle perspective. The Company also adapts itself to the changes in environmental laws and has adapted measures such as limiting the usage of single use plastics within the office premises, Planting of Trees as well as Saplings in and around the Company premises. Policy is available on <https://menonbearings.in/investor-relations/corporategovernance>

3) Does the Company identify and assess potential environmental risks? Y/N

Ans: Yes.

4) Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?

Ans: No.

5) Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.

Ans: The Company is always committed to environment friendly operations, renewable energy usage

and constantly thriving to adopt newer ways to enhance our existing practices across our manufacturing facilities. Few of the environmental protection initiatives are developing and optimizing waste generation, converting waste into by products, wherever possible, adopting novel technology for energy conservation. In terms of bringing in environmental friendly manufacturing processes, various methods are adopted, wherever applicable, to remain committed with the objective of continual improvement and be environment friendly. Apart from R&D and technologies, periodic upgradation of manufacturing equipment and energy efficient alternatives with aim of energy optimization are undertaken at facilities. Policy is available on <https://menonbearings.in/investor-relations/corporategovernance>

6) Are the Emission / Waste generated by the Company within the permissible limits given by CPCB / SPCB for the financial year being reported?

Ans: Yes, The Company's emissions, effluents and wastes are within the permissible limits.

7) Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.

Ans: Nil

Principle 7 – Business, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1) Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with.

Ans: Yes, the Company is a member of Gokul Shirgaon Manufactures Association, Kolhapur & Chambers of Commerce, Kolhapur.

2) Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; If yes, specify the broad areas (drop box: Governance and Administration, Economic Reforms, inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)

Ans: Yes. Through the membership of above mentioned associations, the Company makes efforts to contribute towards sustainable business issues.

Principle 8 – Business should support inclusive growth and equitable development

1) Does the Company have specified programmes / initiatives/ projects in pursuit of the policy related to Principle 8? If yes, details thereof.

Ans: As a responsible corporate citizen, the Company focuses on community development through its CSR activities. Details of our CSR activities are provided in Annexure V to Directors' Report.

2) Are the programmes / projects undertaken through in-house team / own foundation / external NGO / Government structures / any other organization?

Ans: Mostly in-house team. The support of external labour & on field contractors is also taken whenever needed.

3) Have you done any impact assessment of your initiative?

Ans: The project activities are periodically reviewed by the CSR Committee. Reports and feedback are sought to understand the impact of the initiatives.

4) What is your company's direct contribution to community development projects. Amount in INR and the details of the projects undertaken.

Ans: Please refer Annual Report on CSR activities - 'Annexure IV' to the Board's Report. The Company is setting up Community hall/ auditorium on the land provided by GOSHIMA (Gokul Shirgaon Manufacturers Association) at Gokul Shirgaon, MIDC, Kolhapur. The proposed auditorium is proposed to be used by fellow industrialist where training shall be imparted for improving skills of laborers & entrepreneurs. The construction of auditorium is already started & expected to complete the same by F.Y. 2022-23. This ultimately will lead to community development & is expected to benefit Community at large in years to come.

5) Have you taken steps to ensure that this Community development initiative is successfully adopted by the Community? Please explain in 50 words, or so.

Ans: Yes. The objective of the social initiatives undertaken by the Company is to create a positive and sustainable impact in the lives of the communities in the long run.

Principle 9 – Business should engage with and provide value to their customers and consumers in a responsible manner.

1) What percentage of customer complaints / consumer cases are pending as on the end of financial year?

Ans: Nil

2) Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks(additional information)

Ans: Yes. the Company displays product information on the products label as per the mandated local laws.

3) Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and / or anti-competitive behavior during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

Ans: None, there have been no cases filed against Company with regards to unfair trade practices, irresponsible advertising, and / or anti-competitive behavior during the last five years.

4) Did your Company carry out any consumer survey / consumer satisfaction trends?

Ans: Being a B2B business, and our customers are industrial users. We take regular feedback from our customers which enables us to improve ourselves. Our customer satisfaction survey enables us to understand the client's expectations, needs, satisfaction levels and overall experience of working with us.

Auditors' Certificate on Corporate Governance

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, 2021, 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, 2015 except Non-compliance of Regulation 18(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 regarding constitution of Audit Committee during the period from 29th July, 2020 to 21st October, 2020 which was complied subsequently.

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 ARNA & Associates.
Chartered Accountants

Place : Kolhapur
Date : 14th May, 2021

Rahulprasad Agnihotri Partner
Membership No : 111576
FRN : 122293W
UDIN : 21111576AAAABG9497



Independent Auditor's Report

**TO
THE MEMBERS OF
MENON BEARINGS LIMITED**

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of MENON BEARINGS LIMITED ("the company"), which comprise the Balance Sheet as at 31st March 2021, 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.

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.

Impact of Covid-19 pandemic on the Going Concern assumption.

There was a minor impact of Covid-19 pandemic on the turnover of the Company. Also the management is of the view that the impact of Covid-19 will not affect the Going Concern assumption for our Company.

Based on the circumstances and facts of the audit entity, in our opinion, there is no effect on the Going concern assumption.

Responsibilities of the Management and those charged with Governance for the 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have

office R.S. No. 176, Off No. 6C, 1st Floor, Eden Garden Comm. Complex,
Near Khanwilkar Petrol Pump, Nagala Park, Kolhapur - 03

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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 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 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 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 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 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 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 31st, 2021;
- 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

As required by the Companies (Auditor's Report) Order, 2016 ("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.

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 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, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, 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.

For M/S ARNA & Associates.
Chartered Accountants

Place : Kolhapur
Date : 14/05/2021

Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN : 122293W
UDIN : 21111576AAAABG9497

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, 2021.

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) Fixed assets 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.
- (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.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) The Company has not granted any loans, made any investments or provided any guarantees and securities covered u/s. 185 and 186 of the Companies Act, 2013.
- (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 (l) 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) The Company has not defaulted in repayment of dues to a financial institution or bank or Government or dues to debenture holders.
- (ix) 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 had applied the term loans for the purpose for which the loans were raised.
- (x) No fraud on or by the company has been noticed or reported during the year;
- (xi) The managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Companies Act, 2013;
- (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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
- (xv) As explained to us, the Company has not entered into any non-cash transactions with directors or persons connected with him
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 2034.

For M/S ARNA & Associates.

Chartered Accountants

Place : Kolhapur
Date : 14/05/2021

Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN: 122293W
UDIN:- 21111576AAAABG9497

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, 2021

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 31st, 2021 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 31st, 2021 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 ARNA & Associates.
Chartered Accountants

Place : Kolhapur
Date : 14/05/2021

Rahulprasad A. Agnihotri, Partner
Membership No : 111576 FRN: 122293W
UDIN:- 21111576AAAABG9497

Balance Sheet

as at 31st March, 2021

(Rs. in Lakhs)

Sr. No.	PARTICULARS	NOTE NO.	31.03.2021 Audited	31.03.2020 Audited
A	ASSETS -			
1	Non-current assets			
	(a) Property, Plant and equipment	02	8,008.34	7,195.42
	(b) Capital work-in-progress		110.83	1,009.87
	(c) Investment in Shares	03	120.72	28.42
	(d) Financial Assets			
	(i) Long Term - Security Deposit	04	103.72	103.72
	Total non-current assets		8,343.61	8,337.43
2	Current assets			
	(a) Inventories	05	1,647.67	1,563.21
	(b) Financial Assets			
	(i) Trade receivables	06	4,432.54	3,552.44
	(ii) Cash and Cash equivalents	07	607.66	907.37
	(iii) Bank Balance other than (ii) above	07	167.36	178.33
	(iv) Loans & Advances	08	153.26	238.54
	(c) Other Current Assets	08	127.22	169.21
	Total Current assets		7,135.71	6,609.10
	Total Assets		15,479.32	14,946.54
B	EQUITY AND LIABILITIES			
1	EQUITY			
	(a) Equity Share Capital	09	560.40	560.40
	(b) Other Equity	10	9,311.25	8,260.21
	Total Equity		9,871.65	8,820.61
	Liabilities			
2	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Long-Term borrowings	11	1,296.89	2,051.73
	(b) Deferred Tax liabilities (Net)	12	433.50	387.32
	Total non-current Liabilities		1,730.39	2,439.05
3	Current liabilities			
	(a) Financial Liabilities			
	(i) Short- Term Borrowings	13	1,621.01	1,789.25
	(ii) Trade payables	14	1,260.98	936.67
	(iii) Other Financial Liabilities	15	876.42	809.36
	(b) Other current Liabilities	16	118.87	151.60
	(c) Provision	-	-	-
	Total current Liabilities		3,877.28	3,686.88
	Total equity and Liabilities		15,479.32	14,946.54
	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:- 21111576AAAABG9497

NITIN MENON
Executive Chairman

R.D.DIXIT
Managing Director

Place : Kolhapur
Date : 14th May, 2021

ARUN ARADHYE
Whole Time Director & CFO

NEHA HAROLIKAR
Company Secretary

Statement of Profit & Loss

For the year ended on 31.03.2021

(Rs. in Lakhs)

Sr. No.	PARTICULARS	NOTE NO.	31.03.2021 Audited	31.03.2020 Audited
i	Net - Revenue from operations	17	14,786.70	13,609.34
ii	Other Operating Revenue	18	160.45	299.78
iii	Other Income	19	142.93	126.47
1	Total Revenue (i+ii+iii)		<u>15,090.09</u>	<u>14,035.59</u>
2	Expenses		-	-
	Cost of Materials Consumed	20	5,305.72	4,445.09
	Changes in inventories of finished goods, work in progress and Stock-in- trade	21	(42.54)	25.69
	Employee benefits expense	22	1,466.22	1,556.82
	Finance Costs	23	357.09	456.69
	Depreciation and amortization expense	02	748.37	687.80
	Operating and Other Expenses	24	4768.06	4,902.82
	Total		<u>12,602.92</u>	<u>12,074.92</u>
3	Profit before exceptional and extraordinary items and tax (1-2)		<u>2,487.17</u>	<u>1,960.67</u>
4	Exceptional Items		-	-
5	Profit before tax (3-4)		<u>2,487.17</u>	<u>1,960.67</u>
6	Tax expense:		-	-
	(1) Current tax	25	565.00	502.33
	(2) Deferred tax	25	42.17	18.54
7	Profit/(Loss) for the period from continuing operations (5 -6)		<u>1,880.00</u>	<u>1,439.80</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	15.65	4.67
	(ii) Income tax effect on above		(4.01)	(1.20)
	Total Other Comprehensive Income		<u>11.64</u>	<u>3.47</u>
9	Total comprehensive Income for the period (7+8)		1,891.64	1,443.28
10	Paid-up equity shares 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)		3.35	2.57
	(ii) Diluted (in Rs.) (not annualised)		3.35	2.57

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:- 21111576AAAABG9497

NITIN MENON
Executive Chairman

R.D.DIXIT
Managing Director

Place : Kolhapur
Date : 14th May, 2021

ARUN ARADHYE
Whole Time Director & CFO

NEHA HAROLIKAR
Company Secretary

Cash Flow Statement

For the year ended on 31st March 2021

(Rs. in Lakhs)

Sr. No.	PARTICULARS	31.03.2021 Audited	31.03.2020 Audited
1	Profit After Tax & Adjustments for	1,891.64	1,443.28
	Deferred Tax	42.17	18.54
	Tax on OCI	4.01	1.20
	Interest (Net)	306.46	330.22
	Profit on Sale of Assets	-	(1.82))
	Loss on Sale of Assets	-	-
	Profit / Loss on Fair Valuation of Shares	(92.30)	56.72
	Add:- Depreciation & Amortization	748.37	687.80
	Operating Profit before W/C Changes	2,900.35	2,535.95
	Changes in Working Capital		
	Current Assets		
	Inventories	(84.45)	70.65
	Trade Receivables	(880.10)	393.14
	Short Term Loans Advances	85.28	(34.91)
	Other Current Assets	41.99	(15.58)
	Current Liabilities		
	Trade Payables	324.30	(59.75)
	Other Current Liabilities	67.06	144.13
	Short Term Provisions	(32.73)	14.94
	Cash From Operating Activities	2,421.70	3,048.57
2	Cash From Investing Activities		
	Purchase of Fixed Assets	(1,561.30)	(2,304.07)
	Profit on Sale of Assets	-	1.82
	Loss on Sale of Assets	-	-
	Change in CWIP	899.04	899.21
	Investments	-	257.00
	Security Deposits	-	(3.83)
	Interest Received	50.63	126.47
	Cash From Investing Activities	(611.63)	(1,023.41)
3	Cash Flow from Financing Activities		
	Change in Short Term Borrowing	(168.24)	(47.30)
	Change in Long Term Borrowing	(754.83)	(682.72)
	Interest Paid	(357.09)	(456.69)
	Dividend Paid	(840.60)	(1,401.00)
	Tax on Dividend	-	(285.21)
	Cash Flow from Financing Activities	(2,120.76)	(2,872.92)
	Total Cash Flow	(310.69)	(847.75)
	Add:- Opening Cash & Cash Equivalents	1,085.70	1,933.45
	Closing Cash & Cash Equivalents	775.01	1,085.70

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:- 21111576AAAABG9497

Place : Kolhapur
Date : 14th May, 2021

NITIN MENON
Executive Chairman

ARUN ARADHYE
Whole Time Director & CFO

R.D.DIXIT
Managing Director

NEHA HAROLIKAR
Company Secretary

Statement of Changes in Equity

(Rs. in Lakhs)

Sr. No.	Particulars	Equity share capital	Reserves & Surplus				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, 2019	560.40	7,475.96	951.47	2.56	25.00	48.16	9,063.54
2	Changes in equity for the year ended March 31, 2020	-	-	-	-	-	-	-
3	Transfer to general reserve	-	-75.00	75.00	-	-	-	-
4	Re- measurement of Gain/s (Losses) on defined benefit plan	-	-	-	-	-	3.47	3.47
5	dividends (including dividend distribution tax)	-	-1,686.21	-	-	-	-	-1,686.21
6	Profit for the year	-	1,439.80	-	-	-	-	1,439.80
7	Balance as at March 31st, 2020	560.40	7,154.55	1,026.47	2.56	25.00	51.63	8,820.61
8	Changes in equity for the year ended March 31, 2021	-	-	-	-	-	-	-
9	Transfer to general reserve	-	-75.00	75.00	-	-	-	-
10	Re- measurement of Gain/s (Losses) on defined benefit plan	-	-	-	-	-	11.64	11.64
11	dividends (including dividend distribution tax)	-	-840.60	-	-	-	-	-840.60
12	Profit for the year	-	1,880.00	-	-	-	-	1,880.00
13	Balance as at March 31st, 2021	560.40	8,118.94	1,101.47	2.56	25.00	63.27	9,871.64

Notes on Accounts

for the year ended on 31st March, 2021

Note No. 1

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 2021 (including comparatives) are duly adopted by the Board on 14th May, 2021 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 bases 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 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
- 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, value added tax, service tax, 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 equipments 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**
As per the terms of lease agreements there is no substantial transfer of risk and reward of the property to the Company and hence such leases are treated as operating lease. The payments on operating lease are recognized as an expense over the lease term. 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 assets

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 shares is Rs. 92,30,000/-

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
- 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. Currently there are no such transactions.

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 basic 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: -

(Amount in Rs.)

Sr. No.	Name of Party	Relation	Nature of Transaction	Current Year 31.03.2021	Previous Year 31.03.2020
1.	Mani Auto Components	Shri Nitin Menon is a partner	Sales	20,50,81,165	14,18,92,324
			Commission Paid	1,29,21,356	2,40,49,073
2.	Menon United Pvt. Ltd.	Shri Nitin Menon is a Chairman	Corporate Services	28,44,000	28,44,000
3.	Flyga Auto Pvt.Ltd.	Shri Nitin Menon is a Chairman	Purchase of Car	-	24,89,639
			Motor Vehicle Repairs Charges	1,55,851	4,44,145
4.	Shri Nitin Menon	Executive Chairman	Remuneration	1,27,33,068	1,01,72,283
5.	Shri R. D. Dixit	Managing Director	Remuneration	50,26,167	79,92,916
6.	Shri Arun R. Aradhye	Whole time Director & CFO	Director's Remuneration	47,91,026	45,90,218
7.	Shri Aditya N.Menon	Son of Executive Chairman	Rent	3,78,000	7,44,000
8.	Shri Anshul N.Menon	Son of Executive Chairman	Rent	7,81,200	7,44,000
9.	Shri Aditya N.Menon	Son of Executive Chairman	Salary	9,57,972	1,66,848
10.	Shri M. L. Shinde	Independent Director	Sitting Fees	4,000	5,000
11.	Shri G. T. Vasa	Independent Director	Sitting Fees	2,000	5,000
12.	Mrs. Kailash A.Nevagi	Independent Director	Sitting Fees	4,000	5,000
13.	Dr. Santosh Prabhu	Independent Director-	Sitting Fees	4,000	3,000

Notes:

- a. Shri Nitin Menon – Executive Chairman, Shri R. D. Dixit –Managing Director and Arun Aradhye Whole time Director & CFO are employees of the Company. Shri M.L.Shinde, Shri G.T.Vasa, Mrs. Kailash A.Nevagi and Dr. Santosh Prabhu, 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. Menon Signature Pvt.Ltd.
 2. Flyga Resorts Pvt.Ltd.
- c. Mr. Nitin Menon hold 10% or more shares in the Company.

There are no write offs / write backs of any amount for any of the above parties during the year.

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.

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 .10).

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 2021 (CONTD.)														
Note No. 02 FIXED ASSETS														
PROPERTY, PLANT AND EQUIPMENT														
Rs.in Lakhs														
			GROSS BLOCK				DEPRECIATION						NET BLOCK	
Sr. No	Particulars	Years	Opening Balance	Additions	Deletions	Total	Upto	On Opening	On Additions	For the Year	Adjustments	Total	As on 31/03/21	As on 31/03/20
A. Tangible Assets														
1	Land (lease hold)	-	705.88	118.48	-	824.35	35.26	10.35	-	10.35	-	45.60	778.75	670.62
2	Land (free hold)	-	36.76	-	-	36.76	-	-	-	-	-	-	36.76	36.76
3	Site development	-	178.26	316.84	-	495.10	3.94	1.97	-	1.97	-	5.91	489.19	174.32
4	Building	30	2,041.62	406.60	-	2,448.22	536.17	60.73	5.44	66.16	-	602.33	1,845.89	1,505.45
5	Plant and machinery	15	8,280.49	605.01	-	8,885.50	4,551.13	457.90	32.23	490.13	-	5,041.26	3,844.24	3,729.36
6	Electrical installation	10	375.10	9.29	-	384.39	226.64	14.90	0.61	15.51	-	242.15	142.24	148.46
7	Tools and implements	15	878.51	55.97	-	934.48	369.17	79.74	4.84	84.58	-	453.76	480.72	509.34
8	Material handling equip.	15	99.55	6.79	-	106.33	59.21	9.98	1.45	11.43	-	70.64	35.70	40.34
9	Fire fighting	15	48.49	-	-	48.49	13.99	5.18	-	5.18	-	19.18	29.32	34.50
10	Effluent treatment plant	15	108.98	-	-	108.98	72.50	4.66	-	4.66	-	77.17	31.81	36.48
11	Office equipments	5	63.00	33.06	-	96.05	51.96	3.94	3.03	6.97	-	58.94	37.12	11.04
12	Miscellaneous assets	15	23.90	-	-	23.90	11.42	1.66	-	1.66	-	13.08	10.81	12.47
13	Computers	6	87.33	1.14	-	88.48	78.19	4.04	0.13	4.16	-	82.35	6.12	9.14
14	Furniture	10	181.93	6.84	-	188.76	91.36	11.44	0.26	11.71	-	103.06	85.70	90.57
15	Vehicle	8	317.98	-	0.18	317.79	150.67	26.47	-	26.47	-	177.14	140.65	167.31
16	Electrical Forklift	15	8.50	-	-	8.50	2.33	0.54	-	0.54	-	2.87	5.63	6.71
	TOTAL	-	13,436.28	1,560.01	0.18	14,996.10	6,253.94	693.51	47.99	741.50	-	6,995.44	8,000.66	7,182.32
	Previous Year Amount	-	11,140.01	2,302.85	6.60	13,436.27	5,574.13	558.95	121.91	680.86	1.04	6,253.94	7,182.32	5,565.88
B. INTANGIBLE ASSETS														
1	Technical know how	3	52.45	-	-	52.45	52.45	-	-	-	-	52.45	-	-
2	Computers Software	3	72.65	1.47	-	74.12	59.56	6.58	0.29	6.87	-	66.43	7.69	13.09
	TOTAL	-	125.10	1.47	-	126.57	112.01	6.58	0.29	6.87	-	118.88	7.69	13.09
	Previous Year Amount	-	118.33	6.77	-	125.10	105.06	6.20	0.75	6.95	-	112.01	13.09	13.26

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Note No.03 c) Investment in Shares Trade (Quoted) 1) 10,000,20000 & 10000 Equity Shares of Tata Motors Limited @ Rs. 262.96,187.00 & Rs. 262.03 each (Market Value as on 31.03.2021 Rs. 301.80 per share) (Market Value Rs. 1,20,72,000) & previous year Market Value as on 31.03.2020 Rs. 71.05per share (Market Value Rs. 28,42,000).	120.72	28.42
TOTAL	<u>120.72</u>	<u>28.42</u>
Note No.04 (I) Long Term - Security Deposit Telephone deposit MSEDCL Deposit Water deposit	0.70 100.24 2.78	0.70 100.24 2.78
TOTAL	<u>103.72</u>	<u>103.72</u>
Note No.05 Current Assets - (a) Inventories a) Raw Material b) Stores & Spares c) Finished goods d) Work in Process	463.20 180.75 639.48 364.23	373.52 228.52 616.49 344.68
TOTAL	<u>1,647.67</u>	<u>1,563.21</u>
Note No.06 (b) Financial Assets - (i) Trade Receivables (Unsecured, considered good) Outstanding for a period exceeding 6 months Other Debts	850.94 3,581.60	673.29 2,879.16
TOTAL	<u>4,432.54</u>	<u>3552.44</u>
Note No.07 (ii) Cash and Cash equivalents (iii) Bank Balance other than (ii) above i) In Current A/c ii) In Fixed Deposits & Recurring Deposit	2.21 70.10 535.35	155.33 205.28 546.77
TOTAL	<u>607.66</u>	<u>907.37</u>
iii) Other Bank Balances - Dividend Warrant Accounts Earmarked balances with banks- Dividend Warrant Accounts	167.36	178.33
TOTAL	<u>775.02</u>	<u>1085.70</u>

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Note No.08		
(iv) Loans - Short -Term Loans & Advances		
Other advance	9.74	16.45
Staff advance	21.08	23.43
Interest accrued but not received	3.66	2.76
Other Deposits	14.49	13.91
Prepaid expenses	9.66	12.33
Advance Income Tax	94.63	169.66
<u>TOTAL</u>	<u>153.26</u>	<u>238.54</u>
c) Other Current Assets		
Sales Tax Refund	54.34	98.69
Advance to suppliers	67.81	62.54
Excise Duty	1.85	3.05
Service Tax	3.22	4.93
<u>TOTAL</u>	<u>127.22</u>	<u>169.21</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>

- 01) The Company has a single class of equity shares. All equity shares rank equally with regard to dividends and shares in the company's residual assets.
- 02) Equity shareholders List holding more than 5% of equity shares along with the number of equity shares held is as given below.

Name of the Shareholder	31.03.2021		31.03.2020	
	%	No. of Shares	%	No. of Shares
Nitin Menon	30.37	1,70,16,780	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	5.70	31,97,026
Anshul Nitin Menon	5.79	32,44,978	5.70	31,97,026
Note No. 10				
(b) Other Equity				
General Reserve		1,026.47		951.47
<i>Add : Current Year</i>		75.00		75.00
Sub-Total		1,101.47		1,026.47
Capital Reserve		25.00		25.00
Revaluation Reserve		2.56		2.56
Profit & Loss Account (Surplus)		8,182.23		7,206.18
TOTAL		9,311.25		8,260.21
Note:				
<i>a. Surplus</i>				
<i>Opening Balance</i>		7,206.18		7,524.11
<i>Add:- Net Profit for the current period</i>		1,880.00		1,439.80
<i>Add:- Other comprehensive income</i>		11.64		3.47
<i>Profit available for appropriation</i>		9,097.83		8,967.39
<i>Less: Dividend Paid on equity shares</i>		840.60		1,401.00
TOTAL		8,257.23		7,566.39
<i>Less: Tax on distributed profits on equity shares</i>		-		285.21
TOTAL		8,257.23		7,281.18
<i>Less: Transfer to General Reserve</i>		75.00		75.00
Balance carried forward to Balance Sheet		8,182.23		7,206.18
LIABILITIES				
Non Current Liabilities				
Note No. 11				
(a) Financial Liabilities				
(i) Long-Term Borrowings				
a) Term Loan from Banks				
AXIS Bank Limited		-		89.83
Bajaj Finance Ltd		437.48		617.84
HDFC Bank Ltd		826.89		1238.69
b) Car Loans from Banks				
Axis Bank Ltd / HDFC Bank Ltd / Bank of Baroda		32.52		70.06
Sub Total		1,296.89		2,016.42
Unsecured Loans				
Sales tax Deferral Loan		0.00		35.31
Sub TOTAL		0.00		35.31
TOTAL		1,296.89		2,051.73

Bank Name	Loan Amt in lakhs	Installment Amt. in Lakhs	Loan Amt in lakhs	Installment Amt. in Lakhs
	31.03.2021		31.03.2020	
Axis Bank Ltd. FCTL	-	-	89.84	5.96
Bajaj Finance Ltd.	609.67	18.99	769.83	18.99
HDFC Bank Ltd.	1,258.53	19.56	1,629.81	38.10
Axis Bank Ltd. Car Loan (Creta)	1.64	0.29	4.75	0.29
HDFC Bank Ltd. Car Loan (Volvo)	40.93	2.55	67.17	2.55
Bank of Baroda Car Loan (Volvo) NEW	25.99	0.65	31.37	0.65

A) Bajaj Finance:- The company is sanctioned Term Loan of Rs.15.00 Crore . Out of this the Company has utilised Term Loan of Rs.9.00 Crore only. The repayment of this utilised loan amount is to be done by monthly Instalment of Rs.14,34,884/- plus interest as and when applied till 05/05/2024. The loan is secured by exclusive charge over immovable and movable fixed assets located at B-2, MIDC, Gokul Shirgaon and Personal Guarantee of Shri Nitin Menon.

B) HDFC Bank:-The Company is sanctioned Term Loan of Rs. 22.00 Crore, Out of this, the Company has utilised the Term Loan of Rs.21.28 Crore. The loan is repayable in monthly instalments of Rs.35,96,987/- plus interest as and when applied till 06/02/2024. The Loan is Secured by Pari Passu charge on Factory land and Building at Plot No C-1, Kagal Five Star MIDC, Hatkanangale and exclusive first charge on Factory Land & Building at G-1, MIDC, Gokul Shirgaon, Kolhapur. Pari Passu charge over entire movable fixed assets of Bearing and Alkop division. Plus Collateral charge on entire current assets of Alkop & Bearing division and Personal guarantee of Shri. Nitin Menon.

C) The Long Term Borrowing includes Car Loan taken by the Company from the Axis Bank , Bank of Baroda & HDFC Bank.

D) The unsecured loan represents Interest Free Sales Tax Deferral Loan from SICOM received under the incentive scheme of Government of Maharashtra.

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Note No. 12		
(C) Deferred Tax Liabilities (Net)		
Deferred Tax Liability		
a) Depreciation Opening	411.04	378.52
Add: During the year	5.09	32.52
Closing Liability (a)	416.13	411.04
b) Disallowances as per Section 43B & 40(a)of Income Tax Act		
Opening	(26.60)	(13.43)
Add: During the year	38.27	(13.17)
Closing Asset (b)	11.67	(26.60)
c) Others Opening	2.88	2.49
Add:- During the Year	2.83	0.39
Closing Asset ©	5.70	2.88
Deferred Tax Liability (Net) (a-b-c)	433.50	387.32

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Current Liabilities		
Note No. 13		
(a) Financial Liabilities		
Name of Bank		
Axis Bank Ltd. Cash Credit	-	70.98
Bajaj Finance Ltd Cash Credit	304.48	304.78
HDFC Bank Ltd Cash Credit	665.19	747.24
Term Loan Due within 1 Year	603.82	603.39
Vehicle Loans Due within 1 Year	36.05	33.24
Unsecured Loans		
Sales tax Deferral Loan Due within 1 Year	11.47	29.62
<u>TOTAL</u>	<u>1,621.01</u>	<u>1,789.25</u>

Note:

a) The Working Capital facilities from HDFC Bank Ltd. Kolhapur are secured by stock of raw materials, semi-finished goods, finished goods and debtors, collateral security of factory land & building situated at G-1, MIDC Gokul shirgaon, Kolhapur-416234 and personal guarantee of Mr.Nitin Menon.

Note No. 14		
(ii) Trade Payable		
Trade Payable	1,000.77	795.28
Trade Payable (M.S.M.E.)	260.21	141.39
<u>TOTAL</u>	<u>1,260.98</u>	<u>936.67</u>
Note No. 15		
(iii) Other Financial Liabilities		
Gratuity Payable	31.47	13.63
Deposit from Customers	31.32	29.42
C.S.R.(CORPORATE SOCIAL RESPONSIBILITY)	102.02	101.59
Provision for expenses	544.25	486.39
'Unpaid / Unclaimed Dividend	167.36	178.33
<u>TOTAL</u>	<u>876.42</u>	<u>809.36</u>

Note:

There are no amounts due and outstanding to be credited to investor education and protection fund as on 31st March - 2021

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Note No. 16		
(b) Other Current Liabilities		
Statutory Liabilities	55.79	62.21
Advance From Customers	37.49	50.58
Leave Encashment	25.59	38.81
TOTAL	<u>118.87</u>	<u>151.60</u>
Note No. 17		
Sales		
1. Auto & Aluminium Die Casting Components	14,640.47	13,480.13
2. Scrap Sale	146.23	129.21
TOTAL	<u>14,786.70</u>	<u>13,609.34</u>
Note No. 18		
Other Operating Revenue		
a) Exchange Difference	-	188.25
b) Sale of DEPB License	57.74	45.93
c) Duty Drawback Refund	48.24	38.44
d) Income from other Source	33.92	16.54
e) Other Income	20.55	8.80
f) Profit on Sale of Fixed Asset	-	1.82
TOTAL	<u>160.45</u>	<u>299.78</u>
Note No. 19		
Other Income		
Income from non-current investments		
a) Interest Received	50.63	126.47
b) Net gain/ loss on sale of investment	92.30	-
TOTAL	<u>142.93</u>	<u>126.47</u>
Note No. 20		
Cost of Materials Consumed		
A] Raw Material		
Opening Stock	373.52	397.12
Add : Purchases	5,395.40	4,421.49
Total :	5,768.92	4,818.60
Less: Closing Stock	463.20	373.52
Total :	463.20	373.52
<u>Raw Material Consumed</u>	<u>5,305.72</u>	<u>4,445.09</u>

(Rs. in Lakhs)

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
Note No. 21		
Changes in stock of Work-in-Process and Finished Goods		
Opening Stock		
Finished Goods	616.49	682.65
Work in Process	344.68	304.21
<u>TOTAL</u>	<u>961.17</u>	<u>986.86</u>
Closing Stock :		
Finished Goods	639.48	616.49
Work in Process	364.23	344.68
<u>TOTAL</u>	<u>1,003.71</u>	<u>961.17</u>
Increase / (Decrease)in Stock	(42.54)	25.69
Note No. 22		
Employee Benefits Expenses		
Directors Remuneration	225.50	227.55
Salary and Wages	1,115.95	1,198.20
Labour Welfare	17.96	22.53
Contribution to Provident Fund	75.83	74.54
Contribution to Group Gratuity Trust	30.98	34.00
<u>1,466.22</u>	<u>1,556.82</u>	
Note No. 23		
Cost of Finance		
Interest	341.33	436.66
Bank Commission & Other Charges	15.76	20.04
<u>TOTAL</u>	<u>357.09</u>	<u>456.69</u>
Note No. 24		
Operating and Other Expenses		
A] Operating Expenses		
Stores & Spares Consumed	1,017.60	980.18
Electricity	1,246.05	1,165.71
Power & Fuel Expense	66.74	54.66
Electric Material	20.40	3.68
Outside labour charges	122.43	87.10
Contract Labour Charges	1051.34	934.48
Water charges	23.37	21.02
Repairs & Maintenance	165.67	233.98
Testing Fees	7.81	6.99
Hamali	4.40	2.23
Machining Charges	4.23	14.04
<u>Total A] Operating Expenses</u>	<u>3,730.04</u>	<u>3,504.06</u>

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
B] Other Expenses		
Advertisement	9.87	3.37
C.S.R.(CORPORATE SOCIAL RESPONSIBILITY) Expenses	58.67	63.78
i) Audit Fees	3.25	3.25
ii) Other Services	0.99	0.40
Business Expenses	39.01	23.23
Donation	-	0.20
Establishment Expenses	28.44	28.44
Foreign Tour Expenses	1.31	21.67
Freight Outward	245.07	384.90
Insurance	27.92	17.39
Building Repairs	71.14	60.87
Legal & Consultation	46.61	85.88
Misc. Expenses	25.45	29.96
Postage, Telephone	21.62	18.41
Printing & Stationary	7.04	18.57
Rent, Rates and Taxes	31.45	35.44
Sales Promotion Expenses	310.48	442.15
Sitting Fees	0.14	0.18
Traveling Expenses	57.82	81.21
Gain/Loss in Fair Valuation	-	56.72
Debaters Write off Account	1.44	4.59
Vehicle & Conveyance Expenses	15.09	18.14
Exchange Loss	35.21	-
Total B] Other Expenses	1,038.02	1,398.76
Total [A+B] Operating and Other Expenses	<u>4,768.06</u>	<u>4,902.82</u>
Note No. 25		
Tax Expense		
Current Tax	565.00	502.33
Deffered Tax	42.17	18.54
TOTAL	<u>607.17</u>	<u>520.87</u>
Note No. 26		
Retirement Benefits (Gratuity)		
Valuation Method - Projected Unit Credit Method		
1. Results of valuation		
a. PV of Past Service Benefit	394.72	346.06
b. Current Service Costs	24.14	22.96
c. Total Service Gratuity	816.90	800.44
d. Accured Gratuity	401.98	368.73
e. LCSA	412.83	430.46
f. LC Premium	1.31	1.29
GST Tax @ 18 %	0.24	0.23

Particulars	Current Year Ended on 31.03.2021	Previous Year Ended on 31.03.2020
2. Recommended Contribution Rate		
a. Fund value as on renewal date	402.80	370.79
b. Additional Contribution for existing fund	11.15	4.65
c. Current Service Costs	19.80	10.95
3. Total Amount payable (Rs.) (1.f +1.g+2.b+2.c)	32.49	17.13
4. Less: Amount Paid	1.02	3.50
5. Liability appearing in Balance Sheet	<u>31.47</u>	<u>13.63</u>
Note No. 27		
Leave Encashment		
Valuation Method - Projected Unit Credit Method		
A) Other Comprehensive Income (OCI)		
Actuarial (Gain)/Loss recognized for the period	(15.65)	(4.67)
Asset limit effect	-	-
Return on Plan Assets excluding net interest	-	-
Unrecognized Actuarial (Gain)/Loss from previous period	-	-
Total Actuarial (Gain)/Loss recognized in (OCI)	(15.65)	(4.67)
B) Movements in the Liability recognized in Balance Sheet		
Opening Net Liability	38.81	36.07
Adjustment to opening balance	-	-
Expenses as above	3.11	7.50
Contribution paid	(0.69)	(0.08)
Other Comprehensive Income (OCI)	(15.65)	(4.67)
Closing Net Liability	<u>25.59</u>	<u>38.81</u>

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:- 21111576AAAABG9497

NITIN MENON
Executive Chairman

R.D.DIXIT
Managing Director

Place : Kolhapur

Date : 14th May, 2021

ARUN ARADHYE
Whole Time Director & CFO

NEHA HAROLIKAR
Company Secretary

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Menon Bearings
plant at Kolhapur,

