

04<sup>th</sup> October, 2022

To,  
The Manager - DCS  
**BSE Limited**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001.  
**Scrip Code: 523828**

To,  
The Manager - Listing Department  
**National Stock Exchange of India Ltd.,**  
Exchange Plaza,  
Bandra-Kurla Complex,  
Bandra (East), Mumbai- 400051.  
**Symbol: MENONBE**

Dear Sir / Ma'am,

**Sub.: Investor Presentation**

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), please find attached herewith Investor presentation titled "Menon Bearings Ltd. Investor Presentation- October, 2022".

The presentation is also being uploaded on the website of the Company i.e [www.menonbearings.in](http://www.menonbearings.in)

Kindly take the same on your record.

Thanking you,

Yours faithfully,

**For Menon Bearings Limited**

**Neha Harollikar**  
**Company Secretary & Compliance Officer**  
**Membership No. A40901**

**Encl.: As above**



# Menon Bearings Limited

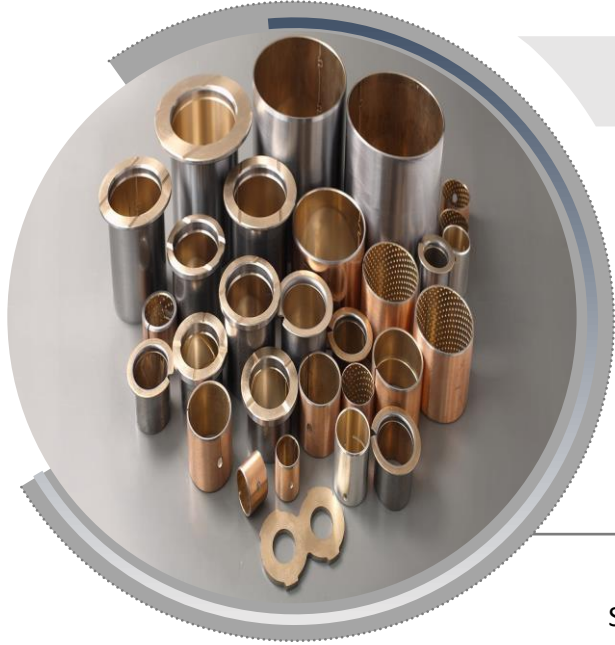
Investor Presentation – October 2022



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## India's Leading Bearing Manufacturer

Catering to highly critical components:



Strong **Brand Equity** and Network

Strongly positioned globally with **exports to over 24 countries**

**Fully integrated** manufacturing facilities **under one roof**

**Catering to** Light & Heavy commercial vehicle engines, Industrial & Tractor Engines, Compressors for Refrigerators, Pumps, Braking systems, Axles etc.

**Market Leader** in the bearings segment and a dominant source for top auto OEMs across the world

Manufacturers of **highly critical moving engine components** that operate in high temperature & pressure, inside engines with high payloads

with Zero PPM Defects

3 plants in Kolhapur  
1 Office & Warehouse in Indianapolis, USA

4

Revenue Mix:  
Bi-Metal Products : 77%  
Aluminum (Alkop) : 23%

77:23

34% Export revenue (FY22)  
Major Countries:  
USA, Brazil, Mexico,  
Netherlands, Africa, Japan

34%

# State of the Art Manufacturing Facilities



Strategically located manufacturing facilities in Kolhapur, Maharashtra, spread over an area of **26+ acres**



Warehouse & an Office in **Indianapolis, USA.**



Among the few companies to have facilities to produce next generation parts through **lead-free** material to ensure the future emission norms.

**14**

Bush Lines

**12**

Half Bearing Lines

**1**

Flange Bearing Line

**1**

Thrust Washer Line

**4**

Tin Plating Lines

**1**

Cu-Sn Alloy Powder Foundry

**6**

Cu-Pb & Cu-Sn Sinter Lines

**1**

Al-Sn Cladding Line

**1**

Babbit Line

**2**

LTC Plating Lines



**In-House**

**Design & Development facilities**



**Alloy Powder Manufacturing**



**Strip Manufacturing**



**Machining PTFE Coating**

# Diversified Products: Bi-Metal Products



## Bearings



- Bearings for Connecting Rods
- Bearings for Crank shafts
- Flanged Bearings

30 to 175 mm dia

## Bushes



- Truncated bushes for connecting rods
- Ball indented bushes
- Bushes for Connecting Rods
- Cam Shafts
- Rock Shafts
- Rocker Arms

15 to 130 mm dia

## Thrust Washers



- Washers with Thrust Face Contours
- Ring Type Thrust Washers

40 to 225 mm dia

Applications



Automotive Engines



Compressors



Generators



Stationery Engines



Earth Movers



Marine Engines

# Diversified Products: Aluminum Die-Cast



## Aluminum products with wide range of applications

Up to  
**4.5 Kgs./Piece**  
High Pressure Aluminum Die Cast & Machined Component



Up to  
**15 Kgs./Piece**  
Gravity/ Tilt Gravity Aluminum Die Cast & Machined Components



Applications



Engines



Compressors



2W/3W



Oil & Gas



Pumps

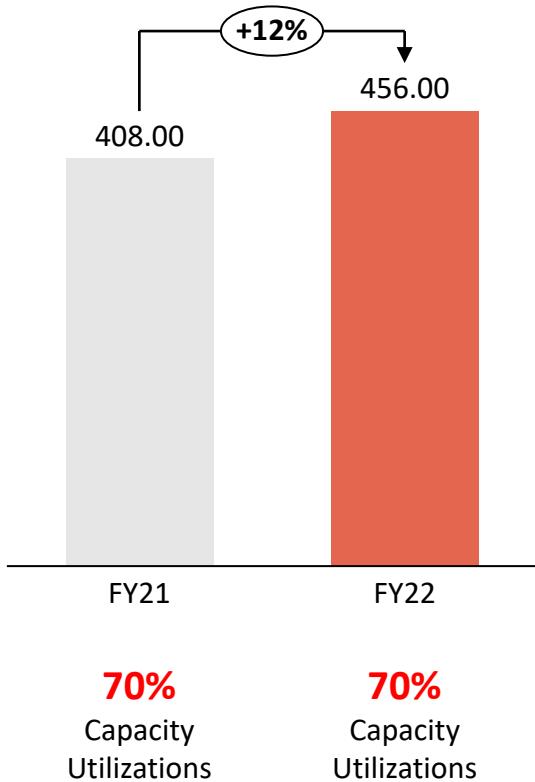


Safety Equipment's

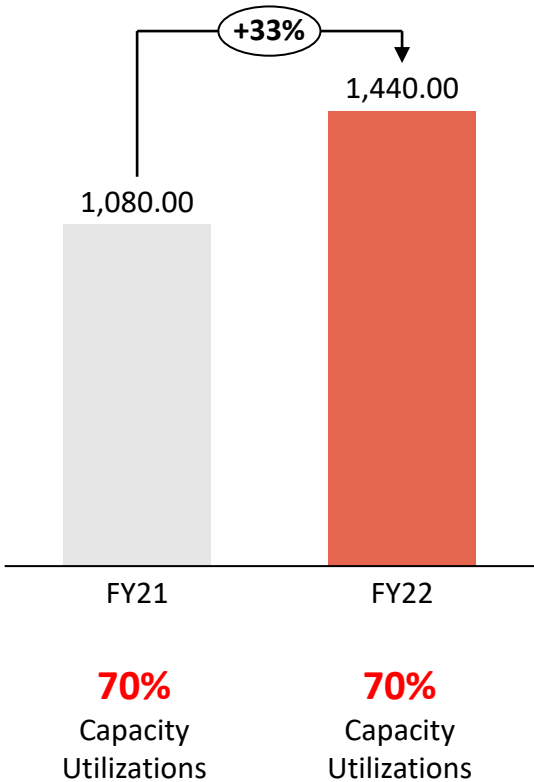
# Current Capacities & Capex Plan



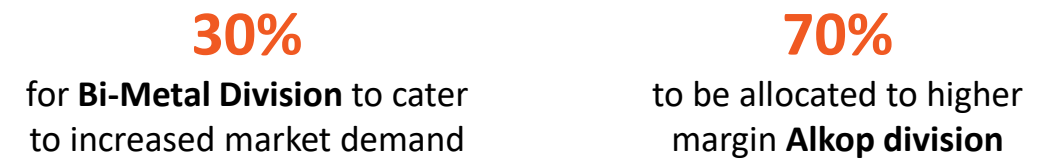
Bi-Metals Capacity (in lakhs)



Alkop Capacity (in MT)



Planned a capex of **₹ 30 Cr** till **FY25** on Plant & Machinery of which





# In-House Engineering & Development



## In house Machine Building capability



**21 BFC Machines  
(16 - 400 MT Capacity)**

## In-House Tool Room for faster Development



**200+ Special purpose machines**

Dedicated team of **Experienced Engineers** having expertise in various engineering applications & problem-solving skills to provide total **Engineering Solutions to our customers**

Engineering Department to **Design SPM, Tooling, Gauges & Fixtures** using Solid Works & Auto CAD which ensures **First Time Right Samples & minimum development time**

**In-house Tool Room** consist of Turning m/c, Boring m/c, Bench Grinders, Center less Grinders etc. **for faster and precise tooling development**

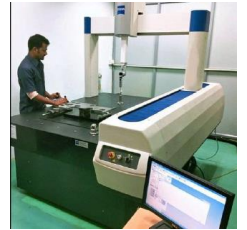
Significant **savings in Cost** due to in-house development of machining & tooling capabilities giving us **competitive advantage over peers**

# Quality Assurance



## Online & continuous activity

Quality at MBL is an online & continuous activity **integrating people, communication, process controls, designing, engineering, production & inspection departments**



Co-ordinate Measuring Machine



## Comprehensive & Continuous training

Begins with an attitude we inculcate via comprehensive & continuous training to all our personnel. **Quality flows from our people through our processes to our product.**



## Inspection & Testing technology

Rigorously documentation of **Quality Systems & Procedures is implemented** & executed by a team using sophisticated equipment's in inspection & testing technology **calibrated to world standards.**



Spectrometer for Material Testing



## Speedy & High quality of Tooling

Our high-tech Tooling Department is **equipped with sophisticated ultra precision machines** which help in maintaining speedy & high quality of Tooling



Fatigue Testing Machine



## Lean/Six Sigma Tools

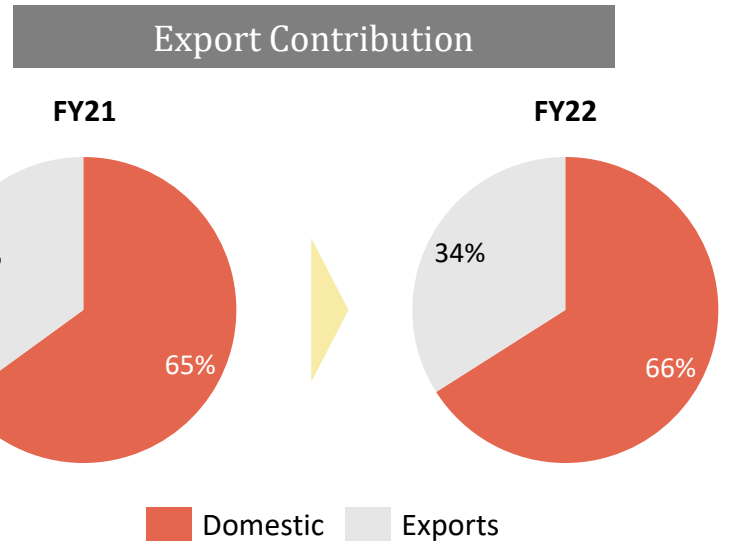
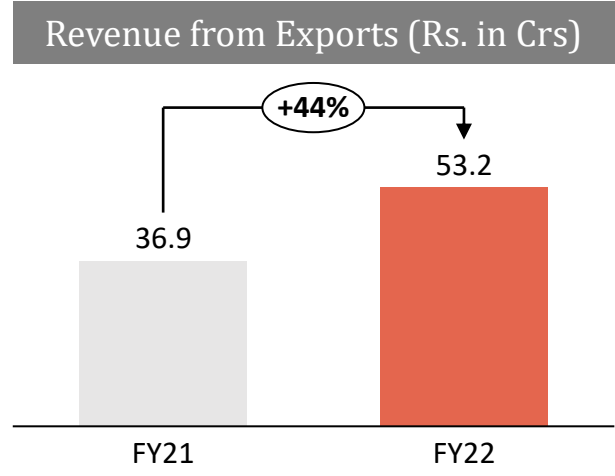
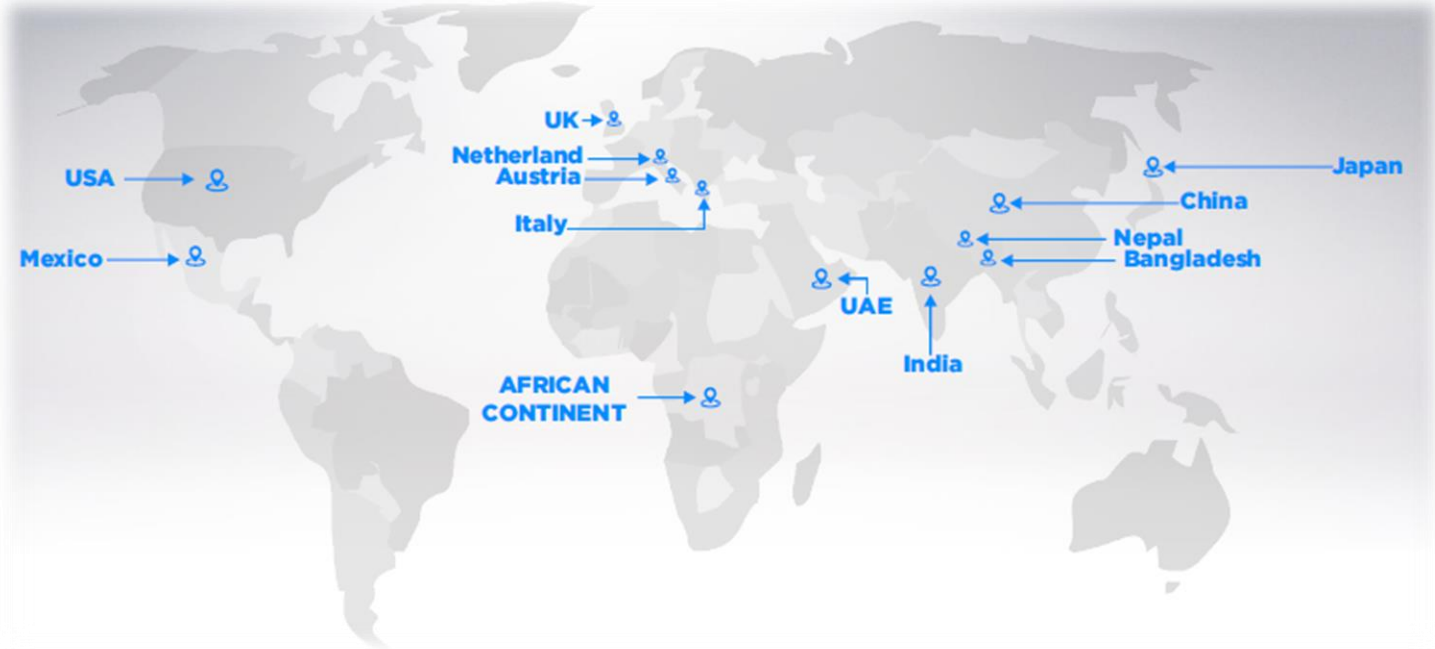
**Data driven continuous quality improvement systems** are implemented through the use of Lean/Six Sigma tools

# Diversified Industry Application with growing Exports



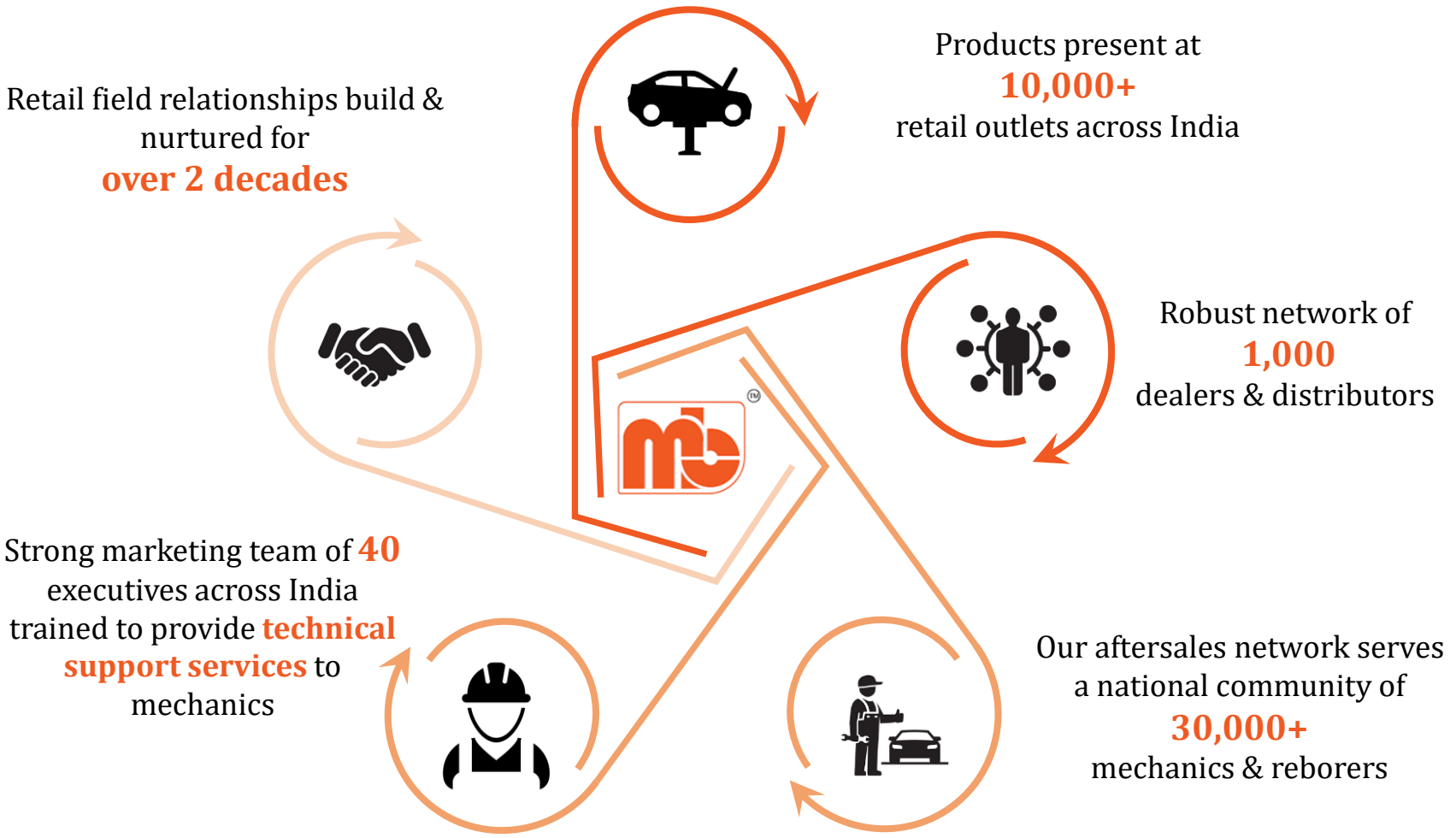
Exporting to **24+ Countries** & plans to reach Africa & Latin America through large distributor network

Our office & warehouse in **Indianapolis, USA** has been helping to serve customers in & around the region since the **2 Decades**



Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness.

# Formidable Reach & Brand Equity in the After-Market



# Diversified Marquee Clientele across Industries



Industry diversified revenue thereby **reducing dependency** on any Industry

<p>Engine &amp; Commercial Vehicle (HCVs &amp; LCVs)</p>						
<p>Tractors</p>						
<p>Electrical &amp; Industrial Applications</p>						
<p>Exports</p>						

No single customer contributes more than **10-12%** of business

The Brand Names mentioned are the property of their respective owners and are used here for identification purposes only

# Customer Recognitions, Awards & Accolades



**M/s. MENON BEARINGS LIMITED**  
As ' Best Amongst the Best Suppliers '



3. JDPW Supplier Quality



**MENON BEARINGS LIMITED. (Vendor Code: DM057)**  
G-1 MIDC GOKULSHIRGAON, KOLHAPUR  
Kind Attention: Not assigned  
Subject: Vendor PPM Report- Key Business Parameters  
Kindly note the performance of your company for the month of June-2022 vis-à-vis set targets.

Month: JUN-2022  
**Spares Business Unit**  
**VENDOR PPM REPORT**

Rating Element	Unit	Target	Level of Performance	Performance Category
SBU Vendor PPM	PPM	500	0	●

## 感謝状

MENON BEARINGS LTD.殿

貴社は、Mayekawa India Pvt. Ltd.へのコンプレッサー主要部品供給を品質第一で多年にわたり尽力され、当社の世界販売に多大なる貢献をされました。ここにその実績を高く評価し感謝の意を表します。

令和四年四月一日

前川製作所 社長  
前川 真

## Certificate of Appreciation

MENON BEARINGS LTD.

Your company has been committed for supplying major compressor parts to Mayekawa India Pvt. Ltd. for many years with quality and has made a great contribution to our global sales. We would like to express gratitude and appreciation to you for our achievements.

Date: 01 Apr., 2022

MAYEKAWA MFG.CO.,LTD Tokyo,Japan  
PRESIDENT Shin Maekawa

C

S

R



## Constructed an Auditorium at Gokul Shirgaon MIDC

For promoting education & employment and enhancing vocational skills among children, working professionals & women

## Financial Assistance provided

For promotion of rural sports & development of traditional arts & crafts

## For COVID relief:

- Distributed masks, medicines and sanitizers to public
- Donated a Multipurpose ICU Ventilator to Government Hospital

E

S

G



Menon Bearings is among the very few companies to have facilities to produce next generation **LEAD FREE** materials to cater to **Future Emission Norms**



## Inclement factors driving demand and providing growth tailwinds

- Uptrend in per-capita income and breach of \$2,450 level by FY23 will trigger auto demand
- Middle class segment to constitute ~62% of India's population by FY25 and drive consumption



## Investment in manufacturing to expand auto industry

- India cementing its position as a global automotive R&D hub, with many MNC's setting manufacturing and R&D base
- Ample availability of a low-cost and skilled workforce
- Automobile sector to attract USD 8-10 bn in local and foreign investments by 2023



## Domestic demand and indigenization by MNC's to drive demand

- Indigenization levels for most major domestic and foreign OEMs have been on the rise
- Premiumization in demand is spawning domestic ancillary base
- Explosive demand in entry level segment also giving impetus to cost effective manufacturing



## Policy initiatives to drive manufacturing

- PLI schemes in auto and auto-component sector with financial outlay of INR 57,042 Crores under Atmanirbhar Bharat 3.0
- GOI plans to spend \$1.4 trillion on infrastructure by 2025, which will boost the demand for CVs and construction equipment
- GOI's vehicle scrappage policy is further expected to boost replacement demand



# EV SHIFT – FAR FROM A RISK



Catering to

## Industries & Applications

which will have **low impact** from change in shift to

## Electric Vehicles



### HCV & Industrial

We cater to heavy segments like Mines, Tractors, LCV/HCV etc. which are less challenged from the EV Segment



### Long standing Relationship

We enjoy strong brand partnership with potential EV players to cater in Future

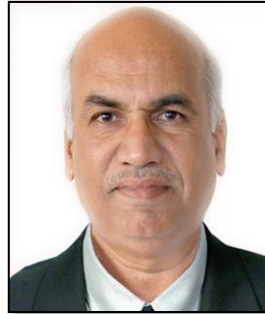


# Experienced Board of Directors



**Nitin Menon**  
Executive Chairman

Mr. Nitin Menon is an industrialist and has rich and varied experience in Automobile Sector. Associated with the Company since inception and lead the setup of 3 operational plants at Kolhapur



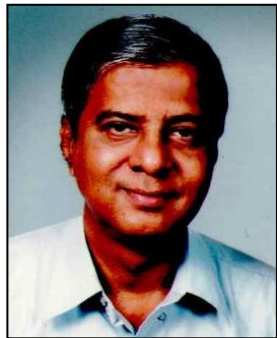
**R. D. Dixit**  
Managing Director

Mr. Dixit has worked with the Menon Group for more than 54 years and is engaged in day-to-day activities of the company and is responsible for overall management of the company. He is a B.E. (Mechanical)



**Arun Aradhye**  
Whole Time Director & CFO

Mr. Aradhye is associated with the company for more than 11 years. He is responsible for finance corporate administration, corporate image and relationships. He has a vast experience of more than 41 years in fields like Engineering, Auto, Manufacturing, Industry etc



**M. L. Shinde**  
Independent Director

Mr. Mukund Laxmanrao Shinde has vast experience of more than 40 years in the fields of Finance, Accounts, Corporate laws, Taxation, etc



**Kailash A. Nevagi**  
Independent Director

Kailash Nevagi leads a team of lawyers as a Partner & Director at Abhay Nevagi and Associates and has vide experience of more than 30 years



**Dr. Santosh Prabhu**  
Independent Director

Mr. Santosh Prabhu is a renowned Neurological and Spinal Surgeon. He is a member of many international bodies like World Federation of Neurosurgeon



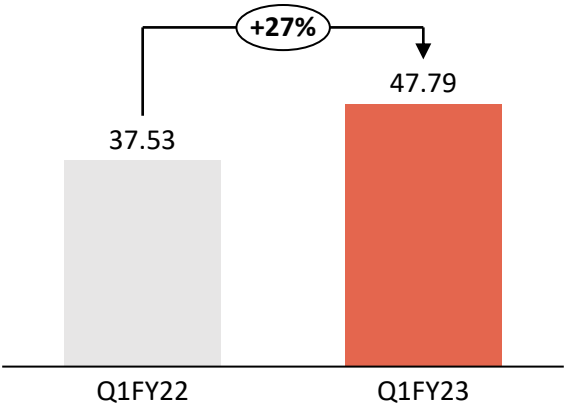
# Financial & Operational Performance Q1FY23



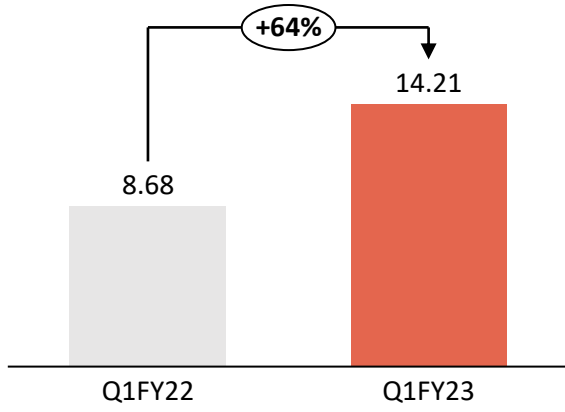
# Revenue Break up - Product Wise



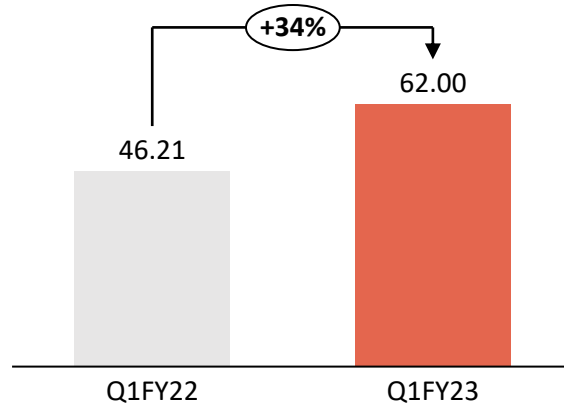
Bimetal (Rs. in Crs)



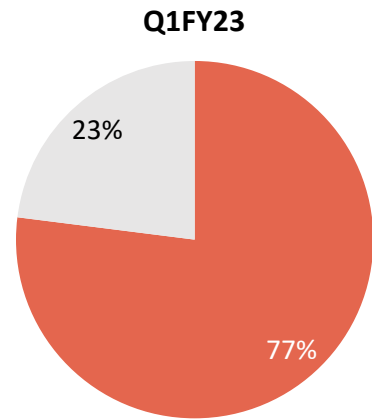
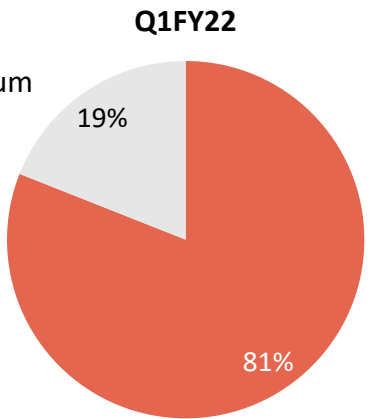
Alkop – Aluminum (Rs. in Crs)



Total (Rs. in Crs)



■ Bearings  
■ Alkop - Aluminum



- Revenue from bimetal segment stood at Rs. 47.79 crs, a **growth of 27%** on Y-o-Y basis
- Revenue from our Alkop (Aluminium) division **grew by 64%** on Y-o-Y basis and stood at Rs. 14.21 crs.
- Total revenues for Q1FY23 stood at Rs. 62 cr as compared to Rs. 46.2 cr in Q1FY22, a **growth of 34% Y-o-Y**
- Revenue contribution from Bimetal & Alkop division was **77% & 23%** respectively for Q1FY23

# Consolidated Profit & Loss Statement



Profit and Loss (in ₹ Crs)	Q1FY23	Q1FY22	Y-o-Y	Q4FY22	Q-o-Q
<b>Revenue from Operations</b>	<b>62.00</b>	<b>46.21</b>	<b>34.15 %</b>	<b>51.61</b>	<b>20.14 %</b>
Cost of Goods Sold	37.94	26.30		30.80	
<b>Gross Profit</b>	<b>24.06</b>	<b>19.91</b>	<b>20.83 %</b>	<b>20.80</b>	<b>15.67 %</b>
<b>Gross Profit Margin</b>	<b>38.81 %</b>	<b>43.09 %</b>		<b>40.31 %</b>	
Employee Cost	8.04	7.13		6.84	
Other Expenses	2.73	2.52		2.99	
<b>EBITDA</b>	<b>13.29</b>	<b>10.27</b>	<b>29.50 %</b>	<b>10.97</b>	<b>21.15 %</b>
<b>EBITDA Margin</b>	<b>21.44%</b>	<b>22.21 %</b>		<b>21.26 %</b>	
Depreciation	1.96	1.89		2.00	
Other Income	0.98	0.83		0.53	
<b>EBIT</b>	<b>12.31</b>	<b>9.20</b>	<b>33.74 %</b>	<b>9.50</b>	<b>29.52 %</b>
Finance Cost	0.62	0.74		0.45	
<b>Profit before Tax</b>	<b>11.69</b>	<b>8.46</b>	<b>38.18 %</b>	<b>9.05</b>	<b>29.13 %</b>
Tax	2.92	1.89		2.27	
<b>Profit After Tax</b>	<b>8.77</b>	<b>6.57</b>	<b>33.50 %</b>	<b>6.78</b>	<b>29.37 %</b>
<b>Profit After Tax Margin</b>	<b>14.15 %</b>	<b>14.22 %</b>		<b>13.14 %</b>	



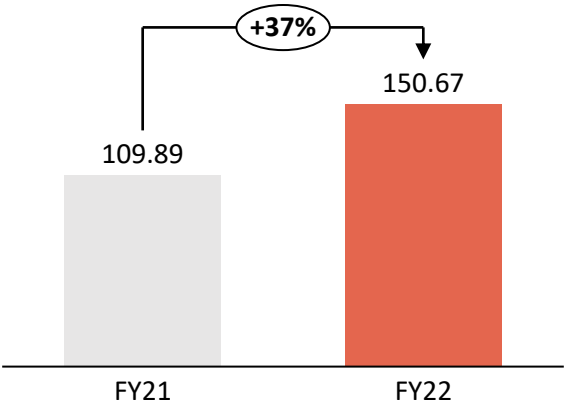
# Historical Financial & Operational Performance



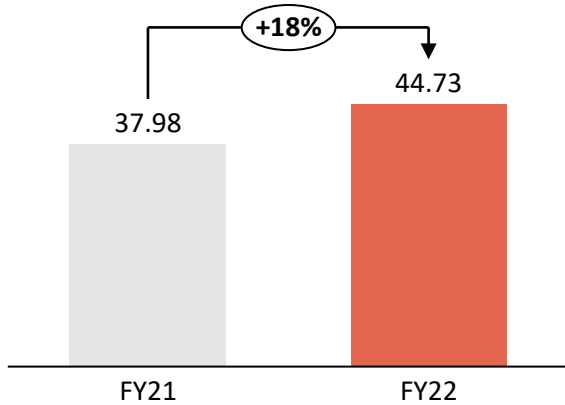
# Revenue Break up - Product Wise



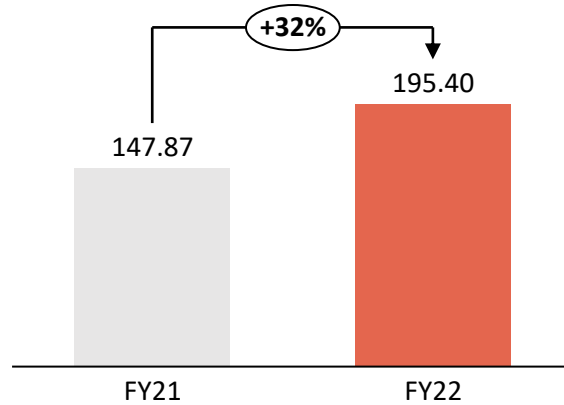
Bimetal (Rs. in Crs)



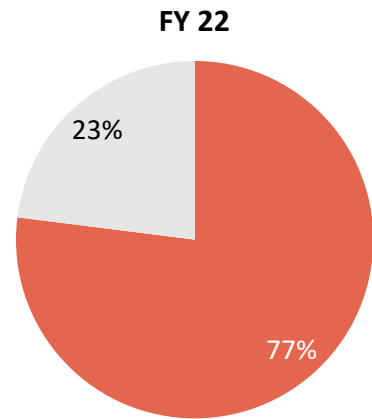
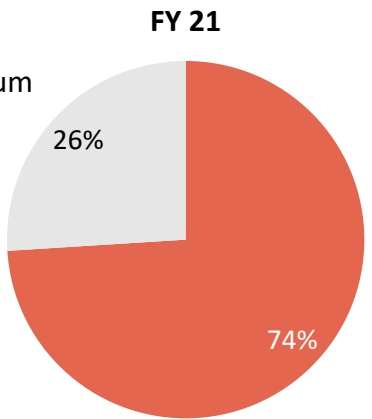
Alkop – Aluminum (Rs. in Crs)



Total (Rs. in Crs)



■ Bearings  
■ Alkop - Aluminum

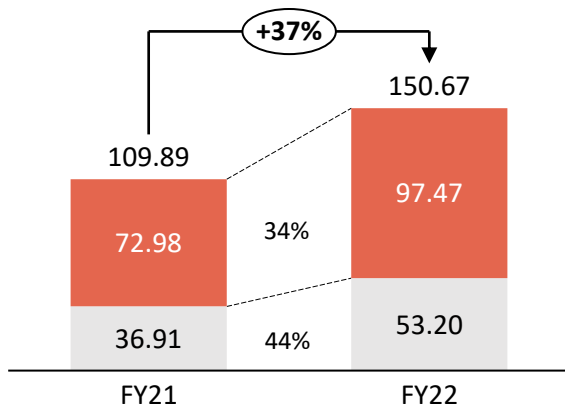


- Revenue from bearing stood at Rs. 151 crs, a **growth of 37%** on Y-o-Y basis
- Revenue from our Alkop (Aluminium) division **grew by 18%** on Y-o-Y basis and stood at Rs. 45 crs.
- Total revenues for FY22 stood at Rs. 195 crs as compared to Rs. 148 crs in FY21, a **growth of 32% Y-o-Y**
- Revenue contribution from Bearings & Alkop division was **77% & 23%** respectively for FY22

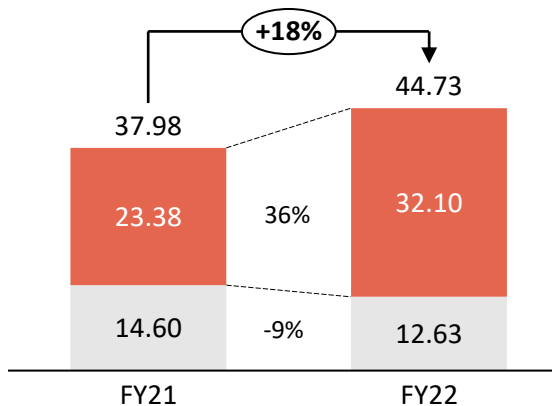
# Revenue Break up - Geography Wise



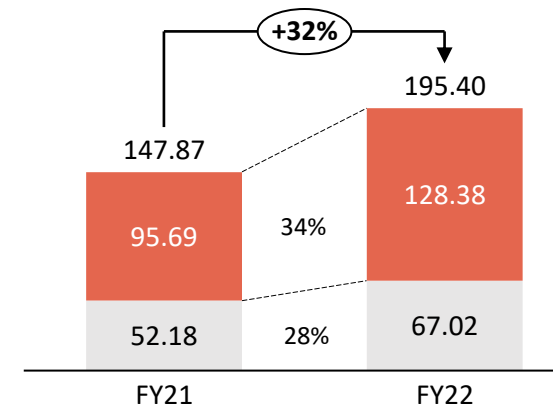
Bimetal (Rs. in Crs)



Alkop – Aluminum (Rs. in Crs)

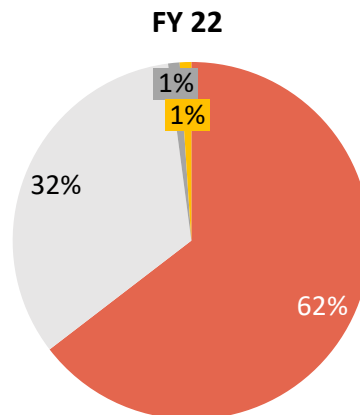
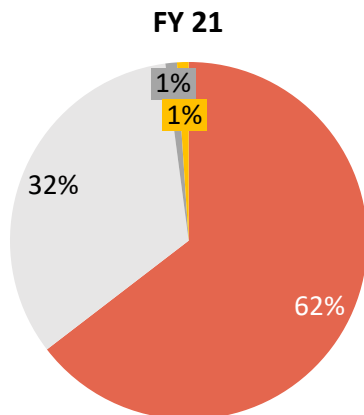


Total (Rs. in Crs)



Domestic Exports

OEM's  
Exports  
Replacemet  
Others



- Domestic & Exports revenue for Bearings division **grew by 34% & 44%** respectively for FY22 on Y-o-Y basis.
- Revenue from Domestic for Alkop division **grew by 36%** for FY22 on Y-o-Y basis
- Total exports revenue for FY22 **grew by 28%** and stood at Rs. 67 crs
- Contribution from Exports markets stood at **34%** in FY22 as compared to **35%** in FY21



# Consolidated Profit & Loss Statement



Profit and Loss (in ₹ Crs)	FY22	FY21	Growth
<b>Revenue from Operations</b>	<b>195.40</b>	<b>147.87</b>	<b>32.14 %</b>
Cost of Goods Sold	83.38	52.63	
<b>Gross Profit</b>	<b>112.02</b>	<b>95.24</b>	<b>17.63 %</b>
<b>Gross Profit Margin</b>	<b>57.33 %</b>	<b>64.41 %</b>	
Employee Cost	28.81	25.18	
Other Expenses	43.13	37.17	
<b>EBITDA</b>	<b>40.08</b>	<b>32.89</b>	<b>21.86 %</b>
<b>EBITDA Margin</b>	<b>20.51 %</b>	<b>22.25 %</b>	
Depreciation	7.75	7.48	
Other Income	2.61	3.03	
<b>EBIT</b>	<b>34.94</b>	<b>28.44</b>	<b>22.85 %</b>
Finance Cost	2.59	3.57	
<b>Profit before Tax</b>	<b>32.35</b>	<b>24.87</b>	<b>30.07 %</b>
Tax	7.82	6.07	
<b>Profit After Tax</b>	<b>24.54</b>	<b>18.80</b>	<b>30.48 %</b>
<b>Profit After Tax Margin</b>	<b>12.56 %</b>	<b>12.72 %</b>	

# Consolidated Balance Sheet



Assets (in ₹ Crs)	Mar-22	Mar-21
<b>Non - Current Assets</b>	<b>79.78</b>	<b>83.44</b>
Property Plant & Equipment's	78.71	80.08
Capital Work in Progress	0.00	1.11
Investments	-	1.21
Loans	1.06	1.04
<b>Current Assets</b>	<b>83.55</b>	<b>71.35</b>
Inventories	21.22	16.48
Financial Assets		
(i)Trade receivables	50.97	44.33
(ii)Cash and cash equivalents	7.02	6.08
(iii)Bank balances other than (ii) above	1.76	1.67
(iv) Loans	1.64	1.53
Other Current Assets	0.94	1.27
<b>Total Assets</b>	<b>163.33</b>	<b>154.79</b>

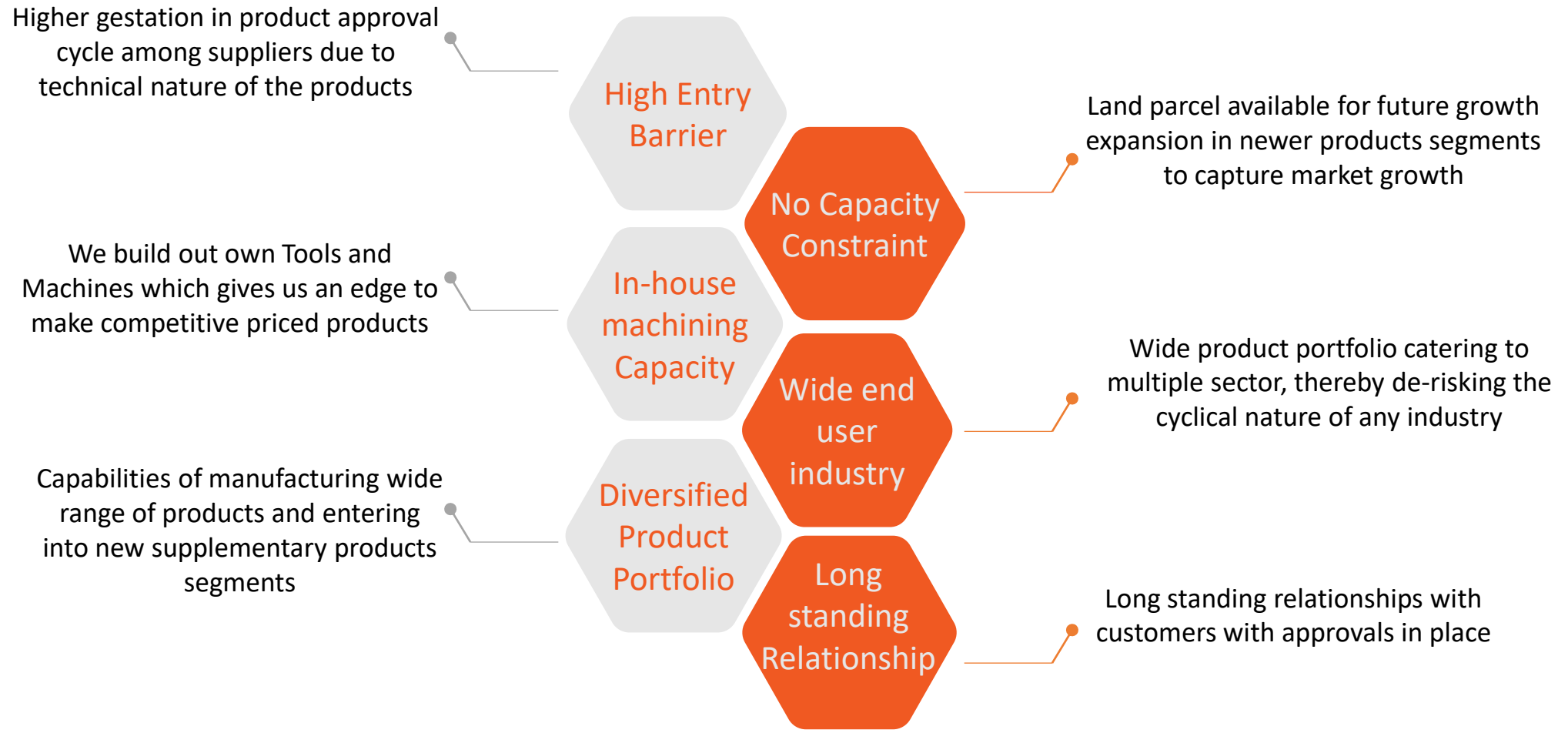
Equity & Liabilities (in ₹ Crs)	Mar-22	Mar-21
<b>Total Equity</b>	<b>111.97</b>	<b>98.72</b>
Share Capital	5.60	5.60
Reserves & Surplus	106.37	93.11
<b>Non-Current Liabilities</b>	<b>10.93</b>	<b>17.30</b>
Financial Liabilities		
(i) Borrowings	6.64	12.97
Deferred Tax Liabilities	4.28	4.34
<b>Current Liabilities</b>	<b>40.42</b>	<b>38.77</b>
Financial Liabilities		
(i) Borrowings	16.64	16.21
(ii) Trade Payables	13.19	12.61
(iii) Other Financial Liabilities	8.94	8.76
Other Current Liabilities	1.65	1.19
<b>Total Equity &amp; Liabilities</b>	<b>163.32</b>	<b>154.79</b>

# Consolidated Cash Flow Statement



Particulars (in ₹ Crs)	FY22	FY21
Net Profit Before Tax	24.47	18.92
Adjustments for: Non -Cash Items / Other Investment or Financial Items	9.68	10.09
<b>Operating profit before working capital changes</b>	<b>34.16</b>	<b>29.00</b>
Changes in working capital	-9.94	-4.79
<b>Net Cash from Operating Activities</b>	<b>24.22</b>	<b>24.22</b>
<b>Net Cash from Investing Activities</b>	<b>-3.49</b>	<b>-6.12</b>
<b>Net Cash from Financing Activities</b>	<b>-19.70</b>	<b>-21.21</b>
Net Decrease in Cash and Cash equivalents	1.04	-3.11
Add: Cash & Cash equivalents at the beginning of the period	7.75	10.86
<b>Cash &amp; Cash equivalents at the end of the period</b>	<b>8.79</b>	<b>7.75</b>

# Key Takeaways





## Menon Bearings Limited

CIN: L2913OPN1991PLCO62352

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# Thank You

**SGA** Strategic Growth Advisors

**Strategic Growth Advisors Private Limited**

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