

23rd July, 2024

To,
The Manager (CRD)
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort
Mumbai - 400001
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 please find attached herewith Investor Presentation titled "Menon Bearings Ltd. Investor Presentation - July, 2024" giving highlight of Financial & Operational Performance Q1 & FY25.

The presentation is also being uploaded on the website of the Company i.e www.menonbearings.in.

Kindly take the same on your record.

Thanking you,

Yours faithfully,

for Menon Bearings Limited

Manmay Kalyankar
Company Secretary & Compliance Officer
Membership No.: A29264

Menon Bearings Limited

Investor Presentation

Q1FY25



Safe Harbour

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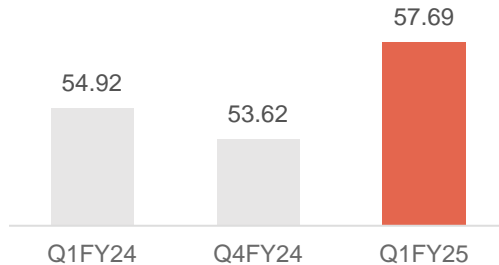
01

**Key
Performance
Highlights**

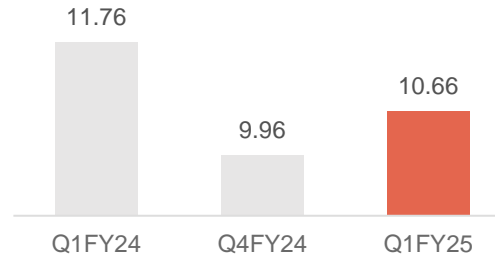


Key Performance Highlights - Consolidated

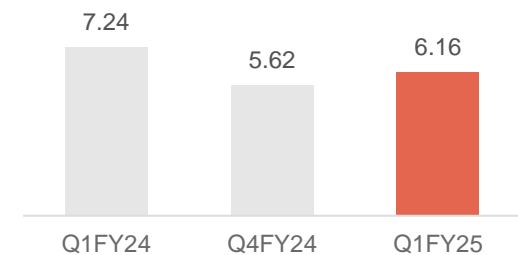
Revenue (Rs. In Crs)



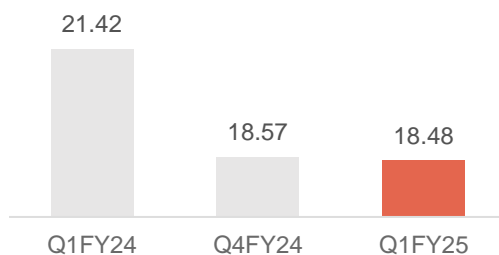
EBITDA (Rs. in Crs)



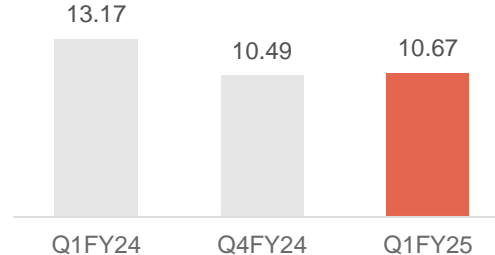
PAT (Rs. in Crs)



EBITDA Margin (%)



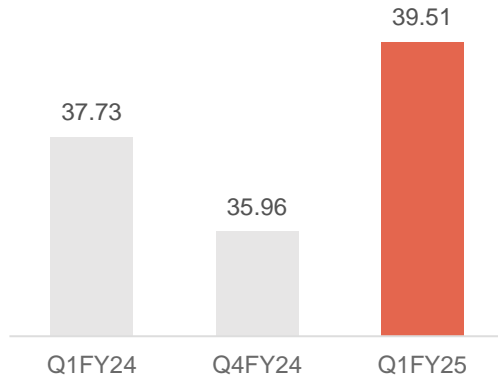
PAT Margin (%)



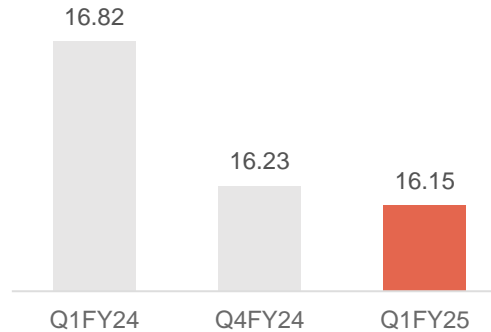
- ❑ Tractor Segment has started gaining traction, likely to see significant move in Q2FY25.
- ❑ Expansion programme of Bearings Division is almost Complete.
- ❑ Capacity expansion at Alkop is expected to be completed by the end of August -2024

Product Wise Highlights – Q1FY25

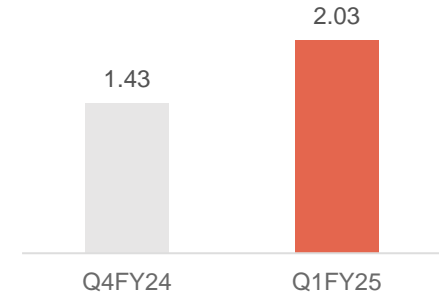
Bimetal (Rs. In Crs)



Alkop (Rs. In Crs)

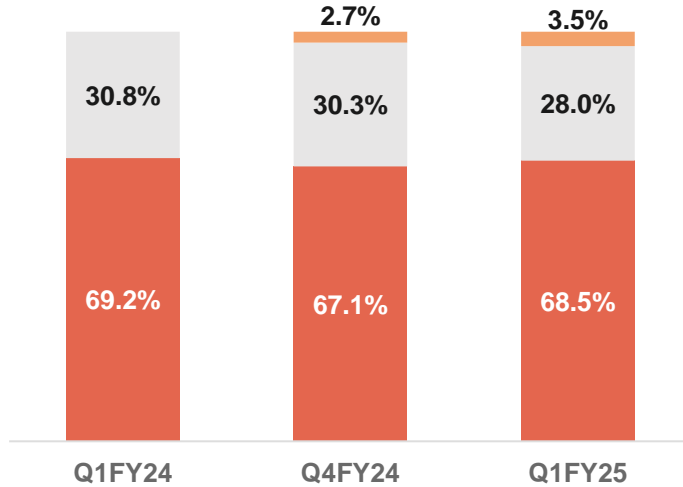


Braking System (Rs. In Crs)



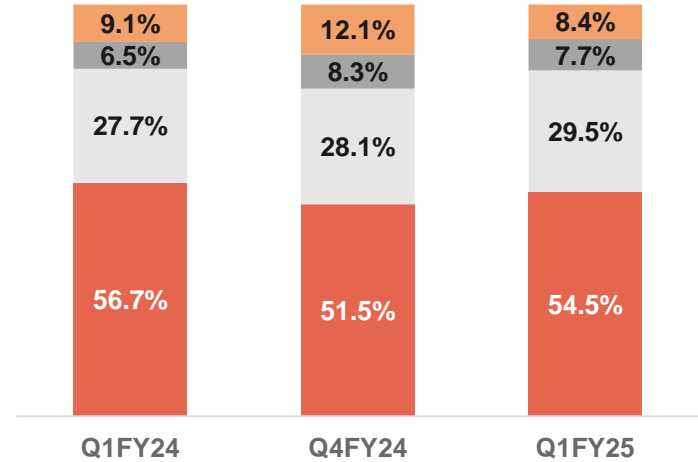
Revenue Breakup – Q1FY25

Product Wise



■ Bimetal ■ Alkop ■ Braking System

Channel Wise



■ OEM ■ Exports ■ Replacement ■ Others

Consolidated Income Statement – Q1FY25

Particulars (Rs. in Crs)	Q1FY25	Q4FY24	Q1FY24	YoY (%)	QoQ (%)	FY24	FY23	YoY (%)
Revenue from Operations	57.69	53.62	54.92	5.03	7.59	210.75	216.94	-2.85
Operating Expenses	33.98	30.21	31.35	8.38	14.47	120.08	122.85	-2.25
Employee Cost	10.13	8.77	8.95	13.21	15.48	35.93	32.10	11.93
Other Expenses	2.91	4.68	2.86	1.84	-37.66	13.29	11.58	14.79
EBITDA	10.66	9.96	11.76	-9.36	7.07	41.45	50.41	-17.77
EBITDA Margin (%)	18.48	18.57	21.42	-293.41 bps	-8.94 bps	19.67	23.24	- 356.91 bps
Other Income	0.7	1.18	0.61	15.99	-40.28	3.67	2.92	25.55
Depreciation	2.26	2.18	2.08	8.88	3.74	8.71	7.92	10.06
EBIT	9.10	8.96	10.29	-11.55	1.65	36.41	45.42	-19.84
Finance Cost	0.88	0.88	0.58	50.45	-0.65	3.27	2.91	12.26
Profit before Tax	8.23	8.07	9.71	-15.26	1.90	33.14	42.51	-22.04
Tax	2.07	2.45	2.48	-16.32	-15.51	8.78	9.91	-11.32
Profit After Tax	6.16	5.62	7.24	-14.90	9.49	24.35	32.60	-25.29
PAT Margin (%)	10.67	10.49	13.17	-249.96 bps	18.49 bps	11.56	15.03	- 347.07 bps
EPS	1.10	1.00	1.29	-14.90	9.49	4.35	5.82	- 25.29

Notes:

- ☐ Declared an Interim Dividend of Rs. 2.00 per share for F.Y. 2024-25 (Record Date: 26th July 2024)
- ☐ The prior period figures include figures of Menon Alkops, the Aluminium Division of the Company, which now stands transferred to its Wholly Owned Subsidiary, Menon Alkops Limited w.e.f. 01.04.2024.

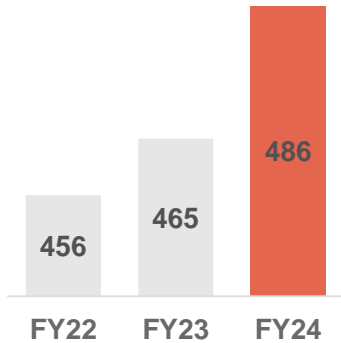


02

Way Forward

Current Capacities & Capex Plan

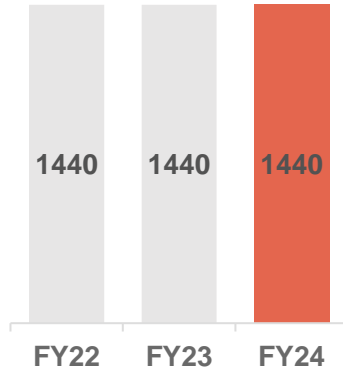
Bi-Metals Capacity
(in lakhs)



Capacity Utilisation

70%

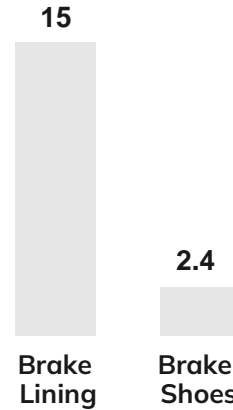
Alkop Capacity
(in MT)



Capacity Utilisation

68%

Brake Capacity (lac pcs)
(FY24)



Capacity Utilisation

20%

Planned capex ₹ 30 Cr
till FY25

Bi-Metal
Division

40%

to cater to
increased
market
demand

Alkop
Division

60%

to be allocated
to higher
margin
Alkop
division

Way Forward

Expand Capacities

Planned a capex of ₹ 30 Cr till FY25 on Plant & Machinery of which 40% (Bi-Metal Division) and 60% (Alkop Division)

New Products

Manufacturing of eco-antifriction (asbestos free) products used in braking systems like brake lining, brake shoes etc

Capitalise on strong network

Leveraging the existing supply network and a strong relationship with the OEMs for the brake segment products

Focus on high margin products

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

Target growth in export markets

With growth in Exports at more than 25% per annum, plans afoot to add Africa through large distributor network



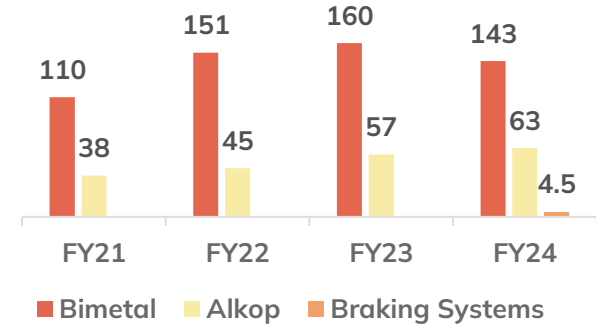
03

About Us

About Us

- ❑ India's Leading Engine Bearing Manufacturer
- ❑ Operates in 3 key business areas
 1. **Bimetal Products**
 2. **Alkop** (Aluminium Die Casting)
 3. **Braking Systems** (Brake Lining & Brake Shoes)
- ❑ Catering to industries not impacted by advent of EVs
 1. Light & Heavy Commercial Vehicle Engines
 2. OTRs & Tractor Engines
 3. Industrial Engines
 4. Compressors for Refrigerators
 5. Pumps, Braking Systems, Axles etc.
- ❑ **Market Leader** in the engine 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, RPM & pressure, inside engines with high payloads
- ❑ Strong **Brand Equity** and Network
- ❑ Strongly positioned in India and globally with **exports to over 24 countries**
- ❑ **Fully integrated** manufacturing facilities **under one roof**

Revenue Breakup (in ₹ Crs)



Key Annual Financial Highlights

1

Net Debt / Equity

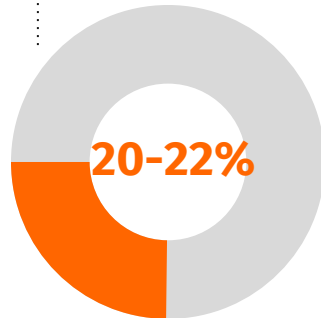
Continues to stay almost NIL



2

EBITDA Margins

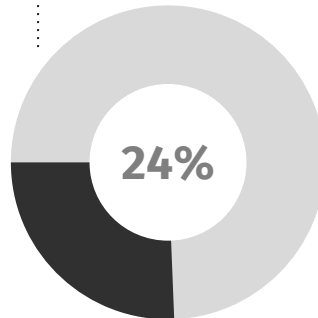
Our Minimum Target EBITDA Margins expected from our key businesses



3

ROE

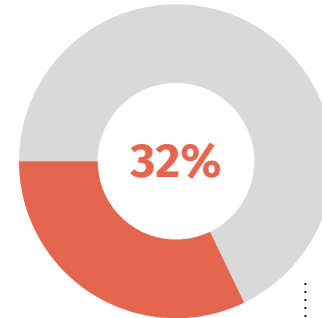
Last 10 years Avg. ROE



4

ROCE

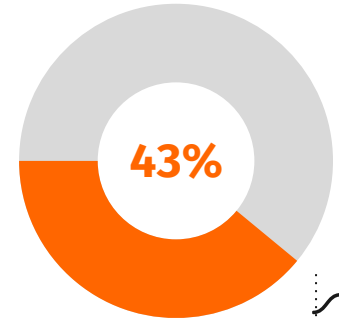
Last 10 years Average ROCE



5

Dividend Payout

Average Dividend Payout for last 10 years



Key Business Highlights

6 Units

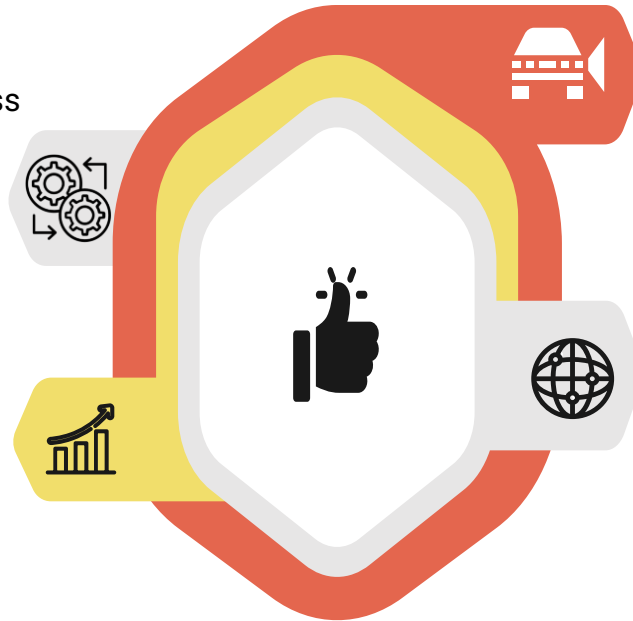
5 Plants in Kolhapur, India across 27 acres.

1 Office & Warehouse in Indianapolis, USA.

Oligopoly

Operating in a 4 Player market in India.

Only Indian Company in the Engine Bearings Segment.



M&HCV , OTR ,Tractor, Industrial

Segments where we are operating. Catering to Industries & Applications which will have low impact from shift to Electric Vehicles

24+ Countries / 30% Revenue

Exporting to over 24 countries including USA, Brazil, Mexico, Netherlands, France, Italy, UK, UAE, Africa & Japan

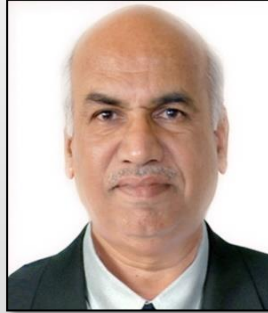
Competes against Global players

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



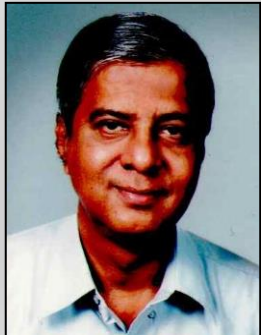
R. D. Dixit
Managing Director

Mr. Dixit has worked with the Menon Group for more than 55 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 Aradhya
Whole Time Director & CFO

Mr. Aradhya is associated with the company for more than 12 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 Laxman Rao Shinde has vast experience of more than 41 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 wide experience of more than 31 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

Diversified Marquee Clientele across Industries

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

Engine & Commercial Vehicle (HCVs & LCVs)



Tractors



Electrical & Industrial Applications



Exports



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



State of the Art Manufacturing Facilities

5 Plants in Kolhapur

Strategically located manufacturing facilities in Kolhapur, Maharashtra, spread over an area of **27 acres**



Warehouse & an Office

in Indianapolis, USA.



In-House

Design & Development Facilities

Alloy Powder Manufacturing

Strip Manufacturing

Machining PTFE Coating

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



1. Bi-Metal Products

Bearings

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

2. Alkop (Aluminium Die Casting)

Aluminum Products with wide range of applications

High Pressure Aluminum Die Cast & Machined Component



Gravity/ Tilt Gravity Aluminum Die Cast & Machined Components



Applications



Automotive Engines



Compressors



2W/3W



Oil & Gas



Pumps



Safety Equipment

3. Braking Systems (new products)

New Product Line in eco-antifriction (asbestos free) materials and products like Brake Lining, Brake Shoes

Asbestos Free – Environment friendly
Eco-friendly brake friction materials are formulated without asbestos, copper, lead, tin, antimony trisulfide to minimize their potential negative environmental impacts

Non-Asbestos Organic (NAO) Asbestos free, Environmental friendly brake lining

Focus on M&HCV Segment; Aftermarket
Company continues to focus on its strong customers segment in M&HCV segments and mainly the Aftermarket segment owing to its strong dealer network across India

Installed capacity

- 15 lakh units/annum for Brake Lines
- 2.4 lakh units/annum for Brake Shoes



Applications



LCV



LCV



HCV



HCV

In-House Engineering & Development



01

In house Machine Building Capability

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

02

In-House Tool Room for faster Development

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

03

Dedicated team of Experienced Engineers

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



Significant savings in Cost due to in-house development of machines & tooling capabilities offer us competitive advantage over peers

Quality Assurance



Inspection and Testing

- ❑ Quality is an online & continuous activity integrating people, communication, process controls, designing, engineering, production & inspection departments
- ❑ Usage of sophisticated equipment's in inspection
- ❑ Testing technology calibrated to world standards



Quality Flow

- ❑ Quality flows from our people through our processes to our product
- ❑ Precision machines ensuring speedy & high quality of Tooling
- ❑ Data driven continuous quality improvement systems are implemented by means of Lean/Six Sigma Tools



Formidable Reach & Brand Equity in the After-Market

Retail field relationships build & nurtured for over 2 decades



Products present at 10,000+ retail outlets across India



Robust network of 1,000 dealers & distributors



Our aftersales network serves a national community of 30,000+ mechanics & reborers



Strong marketing team of 40 executives across India, trained to provide technical support services to mechanics



Key Competitive Advantages

High Entry Barrier

Higher gestation in product approval cycle among suppliers due to technical nature of the products

In-house Machine Building Capacity

We build our own Tools and Machines which gives us an edge to make competitive priced products

Diversified Product Portfolio

Capabilities of manufacturing wide range of products and entering into new supplementary products segments



No Capacity Constraint

Land parcel available for future growth expansion in newer products segments to capture market growth

Wide end User Industry

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

Long Standing Relationship

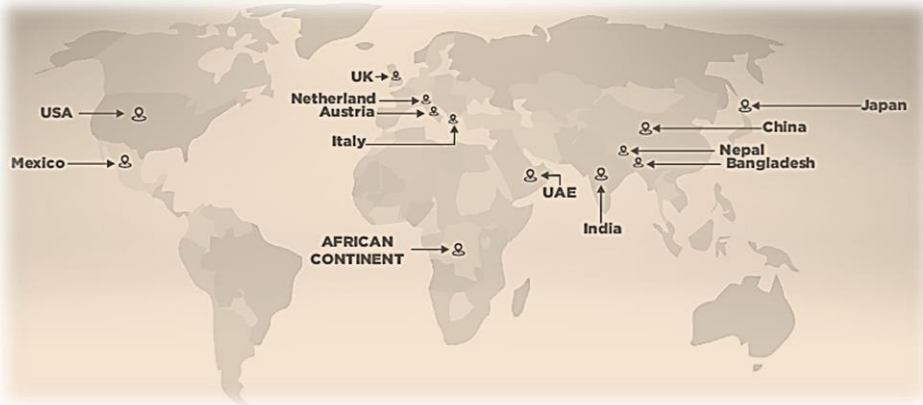
Long standing relationships with customers with approvals in place

Market Size & Opportunity

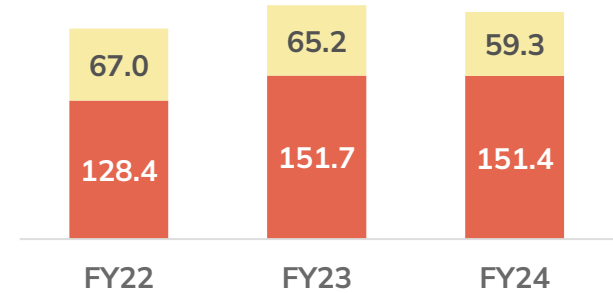
Domestic market size per annum

- ❑ Engine bearings ~Rs 1,000 crores
- ❑ Aluminium casting products ~Rs 6,000 crores
- ❑ Brake segment ~Rs 2,000 crores

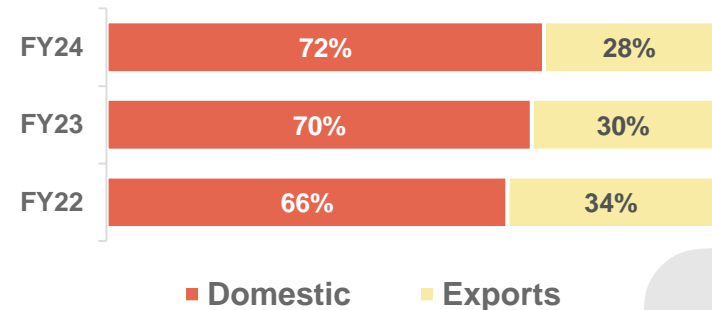
Exporting to 24+ Countries & plans to reach Africa through large distributor network



Revenue (Rs. In Crs)



Revenue (%)




Industry Growth Drivers




Growing per capita income driving demand

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.

Growing investments in Manufacturing




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

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. GOI to spend \$1.4 trillion on infrastructure by 2025. GOI's vehicle scrappage policy to boost replacement demand



04

Annual Financials

Consolidated Income Statement

Particulars (Rs. in Crs)	FY24	FY23
Revenue from Operations	210.75	216.94
Operating Expenses	120.08	122.85
Gross Profit	90.67	94.09
Gross Profit Margin (%)	43.02 %	43.37 %
Employee Cost	35.93	32.10
Other Expenses	13.29	11.58
EBITDA	41.45	50.41
EBITDA Margin (%)	19.67 %	23.24 %
Other Income	3.67	2.92
Depreciation	8.71	7.92
EBIT	36.41	45.42
Finance Cost	3.27	2.91
Profit Before Tax	33.14	42.51
Tax	8.78	9.91
Profit After Tax	24.35	32.60
Profit After Tax Margin (%)	11.56 %	15.03 %
EPS (in Rs.)	4.35	5.82

Consolidated Balance Sheet

Equity & Liabilities (Rs. in Crs)	FY24	FY23
Share Capital	5.60	5.60
Reserves & Surplus	139.30	127.72
Total Equity	144.90	133.32
Financial Liabilities		
(i) Borrowings	19.33	5.79
(ii) Lease Liability	0.86	0.00
Deferred Tax Liabilities	3.85	3.67
Non-Current Liabilities	24.04	9.46
Financial Liabilities		
(i) Borrowings	14.30	8.85
(ii) Trade Payables	12.85	12.56
(iii) Other Financial Liabilities	6.45	7.35
Other Current Liabilities	4.40	1.99
Current Liabilities	38.01	30.75
Total Equity & Liabilities	206.95	173.53

Assets (Rs. in Crs)	FY24	FY23
Property Plant & Equipment's	80.25	76.45
Capital Work in Progress	14.12	8.30
Investments	3.69	1.29
Loans	1.74	1.20
Non - Current Assets	99.80	87.24
Inventories	22.84	21.64
Financial Assets		
(i) Trade receivables	54.94	49.71
(ii) Cash and cash equivalents	24.22	11.37
(iii) Bank balances other than (ii) above	1.78	1.79
(iv) Loans	3.37	1.78
Current Assets	107.15	86.29
Total Assets	206.95	173.53



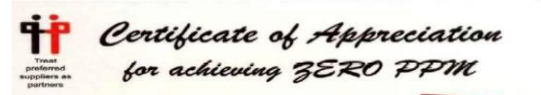
05

Annexure

Customer Recognitions, Awards & Accolades



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



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 英



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 Mackawa

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	●

CSR & ESG Initiatives

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



Future Emission Norms

Facilities to produce next generation LEAD FREE materials to cater to Future Emission Norms



For COVID Relief:

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



Thank You

Menon Bearings Limited

CIN: L2913OPN1991PLCO62352

Mr. Arun Aradhya - WTD & CFO

admin@menonbearings.in

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