



MENON BEARING LTD.

India's leading
engine bearings company

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Board of Directors

MR. RAM MENON	Chairman (upto 12.12.2016) Chairman Emeritus (w.e.f. 09.02.2017)
MR. R. D. DIXIT	Chairman & Managing Director (w.e.f. 09.02.2017)
MR. NITIN MENON	Vice Chairman & Joint Managing Director (w.e.f. 09.02.2017)
MR. SACHIN MENON	Director
MR. B.S. AJITKUMAR	Independent Director
CAPT. SUDHEER S. NAPHADE	Independent Director
MRS. NAZURA AJANEY	Independent Director
MR. M. L. SHINDE	Independent Director

MR. ARUN ARADHYE, Vice President - Finance & Corporate (CFO)

MR. ANUP PADMAI, Company Secretary & Compliance Officer (CS)

REGISTERED OFFICE:

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

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

STATUTORY AUDITORS:

M/S. P.M. VARDHE & CO.
CHARTERED ACCOUNTANTS,
Kolhapur

SECRETARIAL AUDITORS:

M/S MANISH GHIA & ASSOCIATES,
COMPANY SECRETARIES
Mumbai

BANKERS:

AXIS BANK LIMITED
Kolhapur

STATE BANK OF INDIA
Gokul Shirgaon, Kolhapur

REGISTRAR AND SHARE TRANSFER AGENTS:

LINK INTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L.B.S. Marg,
Vikroli (West), Mumbai – 400 083
Phone : (022) 49186000, 491862270
Fax : (022) 49186060
Email : rnt.helpdesk@linkintime.co.in

Notice

Of 26th Annual General Meeting



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 is hereby given that the 26th (Twenty Sixth) Annual General Meeting of the members of Menon Bearings Limited will be held on Thursday, 29th June, 2017 at 10.00 a.m. at:-

The Residency Club, P.O. New Palace, Kolhapur – 416003

to transact the following businesses:

Ordinary Business :

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 along with Boards' Report and Auditors' Report thereon.
2. To confirm the payment of interim dividend of Re. 1/- per equity share for the financial year ended on 31st March, 2017.
3. To appoint a director in place of Mr. R. D. Dixit, Chairman & Managing Director (DIN: 00626827), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s Rahulprasad Agnihotri & Co., Chartered Accountants, Kolhapur (FRN: 122293W) as Statutory Auditors of the Company to hold office from the conclusion of 26th Annual General Meeting until the conclusion of 31st Annual General Meeting and to fix their remuneration in place of retiring auditors M/s. P. M. Vardhe & Co., Chartered Accountants, Kolhapur, (FRN: 111274W), who hold office upto the conclusion of 26th Annual General Meeting.

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

“RESOLVED THAT pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014, M/s. Rahulprasad Agnihotri & Co., Chartered Accountants, Kolhapur, (FRN: 122293W), be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of 26th Annual General Meeting upto the conclusion of 31st Annual General Meeting to be held for the financial year ending 31st March, 2022 (subject to ratification by the members at every AGM held after this AGM) and to audit financial statements of the Company for the financial years from 2017-18 to 2021-22 in place of retiring auditors M/s. P. M. Vardhe & Co., Chartered Accountants, Kolhapur, (FRN: 111274W), who hold office upto the conclusion of 26th Annual General Meeting and the Board of Directors of the Company be and are hereby authorized to fix the remuneration as may be agreed upon between the auditors and the Board of Directors of the Company.”

5. To ratify the appointment of M/s Rajesh Lohia & Co., Chartered Accountants (FRN: 108416W), as Branch Auditors of the Company, who were appointed as such at the 23rd Annual General Meeting to hold office from the conclusion of 23rd Annual General Meeting until the conclusion of 28th Annual General Meeting.



Special Business :**6. APPROVAL OF REMUNERATION PAYABLE TO COST AUDITOR:**

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 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 Accountant, Pune, (FRN-100401) the Cost Auditor 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, 2018, be paid the remuneration of Rs. 1,25,000/- (Rupees One Lakhs Twenty Five Thousand Only) plus service tax and out of pocket expenses.

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

7. RE-DESIGNATION OF MR. NITIN MENON AS VICE-CHAIRMAN AND JOINT MANAGING DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Schedule V to the Act 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), Mr. Nitin Menon, Joint Managing Director of the Company be and is hereby re-designated as Vice Chairman & Joint Managing Director of the Company w.e.f. 9th February, 2017 and the existing terms and conditions of his appointment including the remuneration shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and do all such deeds, matters and things as may be required from time to time for the purpose of giving effect to this resolution.”

8. RE-DESIGNATION OF MR. R. D. DIXIT AS CHAIRMAN AND MANAGING DIRECTOR:

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

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and Schedule V to the Act 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), Mr. R. D. Dixit, Vice –Chairman & Managing Director of the Company be and is hereby re-designated as Chairman & Managing Director of the Company w.e.f. 9th February, 2017 and the existing terms and conditions of his appointment including the remuneration shall remain unchanged.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to take all actions and do all such deeds, matters and things as may be required from time to time for the purpose of giving effect to this resolution.”

9. APPROVAL OF RELATED PARTY TRANSACTION:

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

“RESOVLED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, consent of the members of the Company be and is hereby accorded to continue/enter into following material related party transactions in which directors of the Company are interested as per details given below:

Name of the Related Parties	Nature of Transaction	Approximate Value of Transaction (Rs. in Lakhs)			
		2017-18	2018-19	2019-20	2020-21
M/s. Mani Auto Components, Partnership firm	purchase/sale of goods and property of any kind whether movable or immovable & providing services	3300.00	3500.00	3700.00	3900.00
M/s. M. B. Exports, Partnership firm	purchase/sale of goods and providing services	3000.00	1000.00	1100.00	1200.00

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

BY ORDER OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE, IN CASE OF POLL ONLY, ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES, IN ORDER TO BE VALID, SHOULD BE DULY COMPLETED, STAMPED AND SIGNED AND MUST BE LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.** Further, a person can act as proxy on behalf of member or members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights provided that a member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other shareholder.
2. The Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses is annexed hereto and forms part of this Notice.
3. Members / Proxies are requested to bring duly filled in Attendance slip along with the Annual Report at the Annual General Meeting (AGM). Corporate members are requested to send duly certified copy of the Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorizing their representative to attend and vote at the AGM.
4. Brief resume of Directors proposed to be appointed / re-appointed at the ensuing AGM in terms of Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standards on General Meeting ("SS-2") issued by the Institute of Company Secretaries of India (ICSI) is annexed to the Notice. The Company is in receipt of relevant disclosures / consents from the Directors pertaining to their re-appointment.
5. Pursuant to Regulation 42 of Listing Regulations, Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 23rd June, 2017 to Thursday, 29th June, 2017 (both days inclusive).
6. The Register of Directors and Key Managerial Personnel and their Shareholdings, maintained under Section 170 and Register of Contract or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members during the AGM.
7. 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 electronic form may update such details with their respective Depository Participants.
8. In case of joint holders attending the meeting, the joint holder with highest in order of names will be entitled to vote.
9. Members desirous of getting any information about the accounts and operations of the Company are requested to address their queries to the Company Secretary & Compliance Officer at the Registered Office of the Company at least seven days in advance of the meeting so that the information required may be made readily available at the meeting.
10. The Securities and Exchange Board of India (SEBI) has made it mandatory for all companies to use National

Electronic Clearing Service (NECS) facility to deposit dividend into investors' bank account, as per the details available with the depositories and/or Company. The members who have not updated their bank account details & wish to avail this facility in the future are requested to update their bank account details by submitting the NECS mandate form, available on the website of the Company i.e. <https://www.menonbearings.in>

11. 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, M/s. Link Intime India Private Limited for consolidation of all such shareholding into one folio to facilitate better services.

12. Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the Company has transferred the unpaid or unclaimed dividend for the financial year 2008-09 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

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 amounts lying with the Company for the financial year 2009-10. The balance amount lying in Unpaid Dividend Account for the financial year 2009-10 is due for transfer to the IEPF during the month of September, 2017. Members, who have not encashed their dividend for the financial year 2009-10, are advised to write to the Company immediately claiming dividends declared by the Company.

13. The Ministry of Corporate Affairs ('MCA') had notified the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 effective from 7th September, 2016 as amended by Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017 effective from 28th February, 2017. The said Rules provide for manner of transfer of shares in respect of which dividend has remained unpaid or unclaimed for seven consecutive years to DEMAT Account of the IEPF Authority.

In compliance with said rules, the Company has sent communication to those shareholders who have not encashed dividend for a period of 7 years and whose shares are liable to be transferred to IEPF and simultaneously published an advertisement in newspaper to enable the shareholders to make a valid claim for encashment of dividend. In absence of any valid claim, the respective shares will be transferred to DEMAT Account of the Authority.

14. 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 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 – M/s. Link Intime India Private Limited.

15. 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.

16. To comply with the provisions of Section 88 of the Companies Act, 2013 read with Rule 3 of the Companies (Management and Administration) Rules 2014, the Company is required to update its database by incorporating members' designated e-mail ID in its records.

Members are requested to submit their e-mail ID vide the e-mail updation form available on the website of

the company. The same could be done by filling up and signing at the appropriate place in the said form and by returning by post.

The e-mail ID provided shall be updated subject to successful verification of your signatures as per record available with the Registrar and share Transfer Agents of the Company.

17. The Notice of the 26th Annual General Meeting and instructions for remote e-voting, along with the Attendance Slip and Proxy Form, are being sent by electronic mode to all members whose email addresses are registered with the company/Depository Participants unless a member has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by courier. Route Map of the Venue of the proposed AGM of the Company is appearing at the end of this Annual Report.

18. Voting through Electronic mode:

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 as amended by the Companies (Management and Administration) Amendment Rules, 2015, Regulation 44 of Listing Regulations and SS-2 issued by the ICSI, the Company is pleased to provide remote e-voting facility to its members to cast their votes electronically on the resolutions mentioned in the Notice of the 26th Annual General Meeting of the Company dated 27th April, 2017. The Company has engaged services of National Securities Depository Limited (NSDL) to provide the e-voting facility.

The facility for voting through polling paper shall also be made available at the venue of the 26th AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

Instructions for remote e-voting are as under:

- (A) In case of member receiving e-mail from NSDL (for members whose e-mail IDs are registered with the Company/Depository participant(s)).
- a. Open e-mail and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The PDF file contains your user ID and password/PIN for remote e-voting. Please note that this password is an initial password.
 - b. Launch internet browser by typing the URL: <https://www.evoting.nsdl.com/>.
 - c. Click on Shareholder-login.
 - d. If the shareholder is already registered with NSDL for e-voting, then enter user ID and password for casting vote. If you are logging in for the first time, please enter the User ID and password as initial password noted in step (a) above. Click login.
 - e. The password change menu appears. Change the password/PIN with a new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share the password with any other persons and take utmost care to keep the password confidential.
 - f. Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - g. Select "EVEN" of "Menon Bearings Limited".
 - h. Now the members are ready for remote e-voting as Cast Vote page opens.
 - i. Cast vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - j. Upon confirmation, the message "Vote cast successfully" will be displayed.
 - k. Once you have voted on the resolution, you will not be allowed to modify your vote.

- I Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the scrutinizer through E-mail at 'scrutinizer@mgconsulting.in' with a copy marked to 'evoting@nsdl.co.in' mentioning in subject line E-voting for 26th AGM of Menon Bearings Limited.
- (B) In case of member receiving physical copy of the Notice by courier [shareholders whose e-mail ID's are not registered with the Company/ Depository Participant(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM:

EVEN (Remote E-voting Event Number)	User ID	Password/PIN

- (ii) Please follow all steps from Sr No. (b) to (l) above, to cast vote.

- C) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

Other Instructions:

- a) The remote e-voting period begins on Monday 26th June, 2017 (9:00 am) and ends on Wednesday, 28th June, 2017 (5:00 pm). 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. Thursday, 22nd June, 2017 may cast their votes electronically. The remote e-voting module shall be disabled by NSDL for voting after 5.00 p.m on 28th June, 2017. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast vote again.
- b) The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, 22nd June, 2017. A person whose name is recorded in the Register of Members or in the Register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through ballot / polling paper.
- c) Any person who acquires shares of the Company and becomes a member of the Company after the dispatch of the Notice and holding shares as on the cut off date i.e Thursday, 22nd June, 2017 may obtain the Login Id and password by sending a request at evoting@nsdl.co.in
- d) However, if already registered with NSDL for remote e-voting then use your existing USER ID and PASSWORD for casting vote. If members forget their password, members can reset the password by using "Forgot Use details/password" option available on www.evoting.nsdl.com
- e) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- f) M/s. Manish Ghia & Associates, Company Secretaries, Mumbai have been appointed as the Scrutinizer to scrutinize the voting and remote e- voting process in a fair and transparent manner.
- g) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow

voting with the assistance of scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

- h) The Scrutinizer, after scrutinizing the votes cast at the meeting through poll papers and remote e- voting, will, not later than 48 hours of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. 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 the NSDL www.evoting.nsdl.com.
- i) The Results shall also be immediately forwarded to the BSE Limited and National Stock Exchange of India Limited.

STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013:**Item No. 6:**

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. C. S. Adawadkar & Co., Cost Accountant, Pune (FRN-100401), the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2018 at a remuneration of Rs.1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus service tax and out of pocket expenses.

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 Auditor 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2018.

The Board recommends the Ordinary Resolution as set out at item no.6 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 in the said resolution.

Item No. 7:

Mr. Nitin Menon is a Promoter and is associated with the Company since inception. Mr. Nitin Menon being Joint Managing Director of the Company shoulders a huge responsibility. He was re-appointed as a Joint Managing Director of the Company for a period of five years w.e.f. 1st April, 2013 to 31st March, 2018.

Upon resignation of Mr. Ram Menon as Chairman of the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors at its meeting held on 9th February, 2017 has re-designated Mr. Nitin Menon, Joint Managing Director as Vice Chairman & Joint Managing Director of the Company, subject to approval of the members of the Company.

The existing terms and conditions of his appointment including the remuneration approved by the members at the 25th Annual General Meeting held on 21st July, 2016 shall remain unchanged.

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

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

Item No. 8:

Mr. R. D. Dixit is associated with the Menon Group since 50 years. Mr. R. D. Dixit being a Vice Chairman & Managing Director of the Company looks after the day to day affairs of the Company. He was re-appointed as Vice Chairman & Managing Director of the Company for a period of five years w.e.f. 1st April, 2013 to 31st March, 2018.

Upon resignation of Mr. Ram Menon as Chairman of the Company and on the recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors at its meeting held on 9th February, 2017 has re-designated Mr. R. D. Dixit, Vice Chairman & Managing Director as Chairman & Managing Director of the Company, subject to approval of the members of the Company.

The existing terms and conditions of his appointment including the remuneration approved by the members at the 25th Annual General Meeting held on 21st July, 2016 shall remain unchanged.

The Board recommends the Special Resolution as set out at item no. 8 of the Notice for approval of the shareholders.

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

Item No. 9 :

The Company had entered into agreements with M/s. Mani Auto Components and M/s.MB Exports, Partnership Firms in which Directors of the Company are interested for purchase/sale of goods, availing services for the period of three years effective from 1st April, 2015 to 31st March, 2018. The Company has obtained necessary approvals from shareholders of the Company vide Special Resolution in the Annual General Meeting held on 23rd July, 2014. The Company intends to revise the monetary value of said transactions for F.Y. 2017-18 and extend these agreements for a further period of three years w.e.f. 1st April, 2018.

Further, as per the provisions of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 and provisions of Regulation 23(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, approval of members by Ordinary Resolution is required for all material related party transaction(s).

In view of the same, the details of the said agreements are as under:

1.	Name of the related party	Mani Auto Components, Partnership Firm	MB Exports, Partnership Firm
2.	Name of Director and KMP Interested	Mr. Sachin Menon, Mr. Nitin Menon	Mr. Sachin Menon, Mr. Nitin Menon
3.	Nature of Relationship	Director and their relatives are Partners in the firm	Director and their relatives are Partners in the firm
4.	Nature of contract	Purchase/sale of goods and property of any kind whether movable or immovable and job works	Purchase / sale of goods and job works
5.	Terms of contract	1 st April, 2017 till 31 st March, 2021	1 st April, 2017 till 31 st March, 2021
6.	Monetary Value	Purchase/sale of goods and property of any kind whether movable or immovable and job works 1. 2017-18 – Rs. 3300 lakhs 2. 2018-19 – Rs. 3500 lakhs 3. 2019-20 – Rs. 3700 lakhs 4. 2020-21 – Rs. 3900 lakhs	Purchase/sale of goods and job works 1. 2017-18 – Rs. 3000 lakhs 2. 2018-19 – Rs. 1000 lakhs 3. 2019-20 – Rs. 1100 lakhs 4. 2020-21 – Rs. 1200 lakhs

7.	Any advance paid	No	No
8.	The manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract;	Generally accepted in the market	Generally accepted in the market
9.	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	Yes	Yes

The Board recommends the Ordinary Resolution as set out at item no. 9 of the Notice for approval of the shareholders.

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

BY ORDER OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

In pursuance of the Regulation 36(3) of Listing Regulations and SS-2 issued by the ICSI, details of directors seeking re-appointment at the ensuing Annual General Meeting are as follows:

Name of Director	Mr. R. D. Dixit (DIN: 00626827)	Mr. Nitin Menon (DIN: 00692754)
Date of Birth/Age	25 th December, 1943 (74 years)	26 th November, 1967 (50 years)
Nationality	Indian	Indian
Date of appointment as director	1 st April, 1992	1 st April, 1995
Designation	Chairman & Managing Director	Vice Chairman & Joint Managing Director
Qualification	Bachelor of Engineering (Mechanical)	Bachelor of Commerce
Experience / Expertise	He is having vast experience of around 50 years in the field of Automobile Sector.	He is an Industrialist and associated with Menon Bearings Ltd. since 1992 i.e. from the inception of the company. He is having 24 years of rich and varied experience in the field of Automobile Sector.
Shareholding in the Company (Equity Shares of Re. 1/- each)	62,400	1,70,16,780
Number of meetings of Board attended during the year	6 (Six)	7 (Seven)
Terms & conditions of Appointment / Re- appointment & Remuneration sought to be paid & last drawn	There is no change in terms of re-appointment including remuneration	There is no change in terms of re-appointment including remuneration
List of directorships held in various other Companies	1.Menon Pistons Limited 2.Menon Piston Rings Private Limited 3.Flyga Auto Private Limited	1.Menon Pistons Limited 2. Menon United Private Limited 3. Menon Signature Private Limited 4. Mani Agriculture And Research Combine Private Limited 5. Flyga Auto Private Limited
List of Chairmanship and Membership of various committees in Public Companies	I. Chairmanship: <u>Menon Pistons Limited</u> Stakeholders' Relationship Committee II. Membership: <u>Menon Bearings Limited:-</u> Audit Committee Stakeholders' Relationship Committee CSR Committee <u>Menon Pistons Limited:-</u> Audit Committee Nomination and Remuneration Committee CSR Committee Risk Management Committee	I. Chairmanship: Nil II. Membership: <u>Menon Bearings Limited:</u> Stakeholders Relationship Committee CSR Committee
Relationship with existing Directors of the company	Not Related	Brother of Mr. Sachin Menon

ADDITIONAL INFORMATION FOR ITEM NOS. 7 AND 8:

The details as required under Clause (A) of Part II of Section II of Schedule V of the Companies Act, 2013 are given below:

I General Information:

1.	Nature of industry	The Company is engaged in manufacturing of auto components.
2.	Date or expected date of commencement of commercial production	The Company is an existing Company and is in operation since 1991.
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institution appearing in the prospectus	N. A.
4.	Financial performance based on given indicators	EPS: 3.43 Return on Net-worth: 30% Debt Equity Ratio: 0.06
5.	Foreign investments or collaborators, 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. Thereafter, he was appointed as Joint Managing Director of the Company w.e.f. 20 th October 2000. Mr. Nitin Menon is promoter of the Company and is associated with the Company since inception and has experience of more than 25 years in the industry.
2.	Past Remuneration	Rs. 9,30,000/- per month
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	No Change
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	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 managerial personnel, if any	Mr. Nitin Menon is part of promoter group of the Company and is son of Mr. Ram Menon, Chairman Emeritus of the Company and brother of Mr. Sachin Menon, Director of the Company.

B. Mr. R. D. Dixit

1.	Background details	Mr. R. D. Dixit is associated with Menon group since last 50 years. He has worked in different capacities such as Development Engineer, Works Manager, Director Technical and for last 24 years as Managing Director of the Company and director in other group companies.
2.	Past Remuneration	Rs. 5,75,000 per month
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	No Change
6.	Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person	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 managerial personnel, if any	Mr. R. D. Dixit is part of promoter group of the Company.

III. Other information

1.	Reasons of loss or inadequate profits	As on the date of change in designation Mr. Nitin Menon and Mr. R. D Dixit, the Company has adequate profit but considering the nature of business, the Company is proposing the resolutions to be passed as Special Resolution.
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 20% (approx.) and Profits by 22% (approx.).

Board's Report

To,
The Members

Your Directors feel great pleasure in presenting 26th Annual Report of your Company comprising the Audited Financial Statements for the year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS :

(Rs.in lakhs)

Sr. No.	Particulars	For the Year ended 31 st March, 2017	For the Year ended 31 st March, 2016
1	Total Revenue (Net)	12,422.18	11,191.14
2	Profit before Depreciation & Amortization Expenses, Finance Cost and Tax	3,397.79	2,952.59
3	Less : Depreciation and Amortization Expenses	512.57	456.53
	Finance Cost	117.34	163.19
4	Profit before Tax	2,767.89	2,332.87
5	Less: Provision for Tax	844.04	843.81
6	Profit after Tax	1,923.85	1,489.06
7	Balance of Profit as per last Balance Sheet	3,945.39	3,123.61
8	Balance Available for Appropriation	5,869.24	4,582.46
9	Bonus Shares Issued	93.40	-
10	Rate of Paid Dividend	100%	100%
11	Dividend Paid	560.40	467.00
12	Tax on Dividend	114.08	95.07
13	Transfer to General Reserve	75.00	75.00
14	Balance of Profit carried to Balance Sheet	5,026.36	3,945.39

REVIEW OF OPERATIONS:

During the year under review, the Company has registered a turnover of Rs. 12,422.18 Lakhs (previous year Rs. 11,191.14 Lakhs) and Net Profit after Tax of Rs. 1,923.85 Lakhs (previous year Rs. 1,489.06 Lakhs).

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:

The Company continued to operate in the business of manufacturing of "Auto Components" and there was no change in business activities. No material changes or commitments affecting the financial position of the Company occurred between end of the financial year and the date of this report.

DIVIDEND:

The Company's overall performance during the year under review was satisfactory. Based on the performance, your directors had the pleasure of declaring payment of interim dividend of Re. 1.00/- per Equity Share (previous year final dividend Re. 1.00 per Equity Share), being 100% of the paid-up Equity Share Capital of the Company for the Financial Year ended on 31st March, 2017. This absorbed total cash outflow of Rs. 674.48 Lakhs (previous year Rs. 562.07 Lakhs) including Corporate Dividend Distribution Tax of Rs. 114.08 Lakhs (previous year Rs. 95.07 Lakhs).

SHARE CAPITAL OF THE COMPANY:

During the year under review, the Company on 2nd September, 2016 allotted fully paid bonus Equity Shares in the proportion of 1(One) Equity Share for every 5 (Five) existing Equity Shares held by the members.

Consequently, the issued, subscribed and paid up equity share capital of the Company after bonus issue of Equity shares is Rs. 5,60,40,000/- (Rupees Five Crores Sixty Lakhs and Forty Thousand only) divided into 5,60,40,000 Equity shares of the face value of Re. 1/- (Rupee One) each.

PUBLIC DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

EXTRACT OF ANNUAL RETURN:

An extract of Annual Return in Form MGT 9 is appended to this Report as “**Annexure I**”.

DIRECTORS AND KMP:

Mr. Ram Menon, Chairman of the Company resigned from the Board w.e.f. 13th December, 2016. Being the founder member of the Company and after taking into consideration the contribution made by him for the development of the Company, the Board of Directors appointed him as Chairman Emeritus of the Company w.e.f. 9th February, 2017.

The Board of Directors of the Company at its meeting held on 9th February, 2017 re-designated Mr. R D Dixit, Vice Chairman & Managing Director as Chairman & Managing Director of the Company and Mr. Nitin Menon, Joint Managing Director as Vice- Chairman & Joint Managing Director of the Company, subject to approval of shareholders at the ensuing Annual General Meeting. The Board recommends their re-designation for approval of shareholders.

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. R D Dixit, Chairman & Managing 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.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and SS-2 issued by ICSI, the brief resume of the Directors proposed to be appointed/re-appointed is given in the notice convening the 26th Annual General Meeting.

As stipulated under the Clause (A) of Part II of Section II of Schedule V of the Companies Act, 2013, the details of directors re-designated are given in the Notice convening 26th Annual General Meeting.

The Company has received declaration from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

ANNUAL PERFORMANCE EVALUATION BY THE BOARD:

Pursuant to the provisions of the Companies Act, 2013, a formal annual evaluation needs to be made by the Board of its own performance and that of its Committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Board works with the Nomination and Remuneration Committee to lay down the evaluation criteria.

The Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee of the Company. The Board has devised questionnaire to evaluate the performances of each of Executive, Non-Executive and Independent Directors. Such questions are prepared considering the business of the Company and the expectations that the Board have from each of the Directors. 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 Board 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.

MEETINGS OF THE BOARD:

The Board meets at regular intervals to discuss and decide on Company / business policy 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 and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent meeting of the Board of Directors.

The notice of meeting of the Board of Directors and Committees is 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 is circulated 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 to take an informed decision.

During the year under review the Board of Directors met 7 (Seven) times, the details of which are given in the Report on Corporate Governance. The intervening gap between two consecutive meetings was within the period prescribed under the Companies Act, 2013.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3)© of the Companies Act, 2013, the Board of Directors 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, 2017 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:

During the year, the Committees of the Board were re-constituted in accordance with the Companies Act, 2013 and Listing Regulations. There are currently 5 (Five) Committees of the Board, viz:

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

The Composition of the Committee/s after reconstitution is detailed below:

Sr. No.	Nomination and Remuneration Committee	Corporate Social Responsibility Committee
1.	Mr. Sudheer Naphade – Chairman	Mrs. Nazura Azaney - Chairman
2.	Mr. Mukund L. Shinde (Member w.e.f 10.05.2016)	Mr. Mukund L. Shinde (Member w.e.f 10.05.2016)
3.	Mr. B. S Ajitkumar- Member	Mr. R. D. Dixit- Member
4.	Mrs. Nazura Azaney – Member	Mr. Nitin Menon- Member

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the Report on Corporate Governance, a part of this Annual Report.

AUDIT COMMITTEE AND ITS COMPOSITION:

The Audit Committee is duly constituted as per the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Audit Committee comprises of Mr. Mukund L. Shinde, Mr. B. S. Ajitkumar, Capt. Sudheer S. Naphade, Independent Directors and Mr. R. D. Dixit, Chairman and Managing Director of the Company.

Mr. Mukund L. Shinde is the Chairman of Audit Committee of the Company and Mr. Anup Padmai, 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 with the Board of Directors with respect to auditing and accounting matters. It also supervises the Company's internal control and financial reporting process.

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 Listing Regulations to deal with instance of fraud and to provide adequate safeguards against victimization of directors or employees or any other person who avail of 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 <http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/55681f95e4b0f3550bf6e656/1432887189523/Whistle+Blower+Policy.pdf>.

We affirm that during the financial year 2016-17, no employee or director was denied access to the Audit Committee.

PARTICULARS OF REMUNERATION:

Pursuant to provisions of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, details of ratio of remuneration of each director to the median employee's remuneration are appended to this report as "**Annexure –II**"

Further, the information as required as per the provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) and Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is appended to this report as "**Annexure III**".

REMUNERATION POLICY:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations and on recommendation of Nomination and Remuneration Committee, the Board of Directors have adopted policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Report on Corporate Governance.

SUBSIDIARIES, ASSOCIATE AND JOINT VENTURE COMPANIES:

During the year under review, Flyga Auto Private Limited was incorporated as Wholly-owned Subsidiary of the Company on 30th September, 2016 and later on ceased to be subsidiary of the Company w.e.f. 22nd March, 2017.

As on 31st March, 2017, the Company does not have any Subsidiary, Associate or Joint Venture Companies and hence preparation of Consolidated Financial Statements and statement containing salient features of subsidiary in AOC 1 as per the provisions of Section 129 of the Companies Act, 2013 is not applicable to the Company.

STATUTORY AUDITORS AND BRANCH AUDITORS:

As per Section 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, the term of M/s. P. M. Vardhe & Co., (FRN: 108416W) Chartered Accountants, Kolhapur as the Statutory Auditors of the Company expires at the conclusion of 26th Annual General Meeting.

Upon recommendation of Audit Committee, the Board of Directors of the Company at its meeting held on 27th April, 2017 have appointed M/s. Rahulprasad Agnihotri & Co., (FRN: 122293W), Chartered Accountants, Kolhapur, as Statutory Auditors of the Company for a period of 5 years to hold office from the conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting of the Company, subject to approval of shareholders in place of retiring auditors M/s. P.M. Vardhe & Co., Chartered Accountants, Kolhapur.

The Company has received written consent and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and if appointed, their appointment would be within the limits prescribed under Section 139 of the Companies Act, 2013.

Your Directors recommend the appointment of M/s. Rahulprasad Agnihotri & Co., Chartered Accountants, Kolhapur, as Statutory Auditors of the Company to hold office from the conclusion of the 26th Annual General Meeting upto the conclusion of 31st Annual General Meeting of the Company and to audit financial statements of the Company for the financial year from 2017-18 to 2021-22.

The Board also places on record its appreciation for the services rendered by M/s. P.M. Vardhe & Co., Chartered Accountants, Kolhapur.

M/s. Rajesh Lohia & Co. Chartered Accountants, Kolhapur, the Branch Auditors of the Company hold office from the conclusion of the 23rd Annual General Meeting until the conclusion of 28th Annual General Meeting of the Company to audit the financial statements of Menon Alkop (Division of the Company). However, such an appointment of Branch Auditors is subject to ratification by members at every AGM held after the 23rd AGM. Hence, your Directors recommend for the ratification of appointment of M/s. Rajesh Lohia & Co, Chartered Accountants, Kolhapur, as Branch Auditors of the Company in the ensuing Annual General Meeting.

No adverse remarks/ comments/observations are made by the Statutory Auditors in their report.

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 Accountant, Pune (FRN – 100401) as Cost Auditors of the Company to conduct audit of cost records for the Financial Year 2017-18, at a remuneration of Rs. 1,25,000/- (Rupees One Lakh Twenty Five Thousand Only) plus service tax and out of pocket expenses, subject to approval of shareholders in the ensuing Annual General Meeting.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai are appointed as the Secretarial Auditors of the Company. The Secretarial Audit Report received from M/s. Manish Ghia & Associates, Company Secretaries, Mumbai is annexed as “**Annexure -IV**” and forms part of this Report.

INTERNAL AUDIT:

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 Accountants, Kolhapur as Internal Auditor of the Company. Internal Auditor submits his reports on quarterly basis to the Audit Committee.

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

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 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 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 Regulations 34 read with Schedule V of the Listing Regulations, the following have been made a part of the Annual Report and are enclosed / annexed to this report:

- Management Discussion and Analysis
- Report on Corporate Governance
- Declaration on Compliance with Code of Conduct
- Auditors' Certificate regarding compliance of conditions of Corporate Governance

CORPORATE SOCIAL RESPONSIBILITY INITIATIVE:

Pursuant to the provisions of Section 135 read with Companies (Corporate Social Responsibility) Rules, 2014, the Company has constituted Corporate Social Responsibility (CSR) Committee and 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 per the provisions of Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014 and reasons for failure to spend the prescribed CSR expenditure is annexed herewith as "**Annexure V**".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All the related party transactions were in the ordinary course of business and are reported in the notes to the financial statements.

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 of the Rule (8) of the Companies (Accounts) Rules, 2014 is appended as “**Annexure VI.**”

In accordance with the provisions of Regulations 23 of Listing Regulations the Company has formulated the Related Party Transaction Policy and the same is uploaded on the Company's website at <https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c9391bbee011fb4f9f08/1459145073393/Related+Party+Transaction+Policy.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, guarantee or investment made by the Company under the provisions of Section 186 of the Companies Act, 2013 are provided in the Notes on of financial statements.

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 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.

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 year, no complaint was filed before the said Committee.

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 is given as in “**Annexure VII**”.

ACKNOWLEDGEMENT:

Your Directors wish to place on record their gratitude for the continued co-operation and patronage extended by the esteemed customers both in OEM and Replacement Market segments. The Directors would also like to place on record their sincere appreciation for the continued co-operation, guidance, support and assistance extended during the 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.

BY ORDER OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

Annexure to Board's Report

Annexure I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended 31st March, 2017)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	L29130PN1991PLC062352
2.	Registration Date	4 th July, 1991
3.	Name of the Company	Menon Bearings Limited
4.	Category/Sub-Category of the Company	Non- Government / Public Company limited by shares
5.	Address of the Registered Office and Contact details	G-1, MIDC, Gokul Shirgaon, Kolhapur – 416234. Tel - 0231 -2672279/533/487 Fax – 0231-2672278 Email – admin@menonbearings.in Website – www.menonbearings.in
6.	Whether listed Company (Yes/No):-	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1.	Bearings, Bushes, Thrust Washers and Aluminium Die Casting Components	3563	98%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: NIL

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

I Category-wise Share Holding.

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year *				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
1. Indian									
a. Individual/ HUF	2,35,27,000	-	2,35,27,000	50.38	2,82,32,400	-	2,82,32,400	50.38	-
b. Central Govt / State Govt.	-	-	-	-	-	-	-	-	-
c. Bank/ FI	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	1,13,44,000	-	1,13,44,000	24.29	1,36,12,800	-	1,36,12,800	24.29	-
Sub-total(A) (1):-	3,48,71,000	-	3,48,71,000	74.67	4,18,45,200	-	4,18,45,200	74.67	-
2. Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Government	-	-	-	-	-	-	-	-	-
c. Institutions	-	-	-	-	-	-	-	-	-
d. FPI	-	-	-	-	-	-	-	-	-
e. Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub-total(A) (2):-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoters A= (A)(1)+(A)(2)	3,48,71,000		3,48,71,000	74.67	4,18,45,200		4,18,45,200	74.67	-
B. Public Shareholding									
1. Institutions									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Venture Capital Funds	-	-	-	-	-	-	-	-	-
c. Alternate Investment Funds	-	-	-	-	-	-	-	-	-
d. Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
e. Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
f. Banks/ FI's	-	-	-	-	2,572	-	2,572	0.00	0.00
g. Insurance Companies	-	-	-	-	-	-	-	-	-
h. Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
h. Provident/ Pension Funds	-	-	-	-	-	-	-	-	-
i. Any Other (specify)	-	-	-	-	-	-	-	-	-
Sub- total – (B)(1)	-	-	-	-	2,572	-	2,572	0.00	0.00

Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year*				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Cen. Government/ State Government(s) President of India	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
3. Non-Institutions									
i. Individual shareholders holding nominal share capital up to Rs.1 Lakh	64,90,528	43,26,940	10,817,468	23.16	79,87,418	48,83,198	1,28,70,616	22.97	(0.19)
ii. Individual shareholders holding nominal share capital in excess of Rs 1Lakh	1,01,770	-	1,01,770	0.22	1,14,954	1,15,200	2,30,154	0.41	0.19
b.NBFC registered with RBI	-	-	-	-	-	-	-	-	-
c. Employee Trust	-	-	-	-	-	-	-	-	-
d. Depositories (Holding DRs) (Balancing Figures)	-	-	-	-	-	-	-	-	-
e. Any Others									
(i) HUF	1,48,007	-	1,48,007	0.32	3,25,794	-	3,25,794	0.58	0.26
(ii) NRI (Rep)	85,432	-	85,432	0.18	1,29,386	-	1,29,386	0.23	0.05
(iii) NRI (Non-Rep)	1,91,317	-	1,91,317	0.41	2,35,739	-	2,35,739	0.42	0.01
(iv) Clearing Members	2,58,074	-	2,58,074	0.55	70,619	-	70,619	0.13	(0.42)
(v) Bodies Corporate	2,26,932	-	2,26,932	0.49	3,29,920	-	3,29,920	0.59	0.10
Sub-total (B) (3)	75,02,060	43,26,940	1,18,29,000	25.33	91,93,830	49,98,398	1,41,92,228	25.33	-
Total Public Shareholding B= B(1) +B(2) + B (3)	75,02,060	43,26,940	1,18,29,000	25.33	91,96,402	49,98,398	14,194,800	25.33	-
C. Non Promoter- Non Public Shareholding	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	4,23,73,060	43,26,940	4,67,00,000	100.00	5,10,41,602	49,98,398	5,60,40,000	100.00	-

* **Note:** During the financial year, the Company allotted 93,40,000 fully paid bonus Equity Shares of the face value of Re. 1 (Rupee one) each.

ii. Shareholding of Promoters and Promoters Group:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year*			% Change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1	Mr. Nitin R Menon	1,41,80,650	30.37	-	1,70,16,780	30.37	-	-
2	M/s Menon United Pvt. Ltd. (Formerly Karveer United Pvt. Ltd.)	1,13,44,000	24.29	-	1,36,12,800	24.29	8.30	-
3	Mrs .Sucheta Nitin Menon	42,04,010	9.00	-	50,44,812	9.00	-	-
4	Mr. Aditya Nitin Menon	23,76,640	5.09	-	28,51,968	5.09	-	-
5	Mr. Anshul Nitin Menon	23,75,700	5.09	-	28,50,840	5.09	-	-
6	Mr. Sachin R. Menon	2,50,000	0.54	-	3,00,000	0.54	-	-
7	Mrs. Smita Ramesh Dixit	88,000	0.19	-	1,05,600	0.19	-	-
8	Mr. Ramesh Dattatraya Dixit	52,000	0.11	-	62,400	0.11	-	-
	Total	3,48,71,000	74.67	-	4,18,45,200	74.67	-	-

* **Note:** During the financial year, the Company allotted 93,40,000 fully paid bonus Equity Shares of the face value of Re. 1 (Rupee one) each.

iii. Change in Promoters Shareholding:

Sr. No	Promoters' Name		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. Nitin R Menon					
A	At the beginning of year		1,41,80,650	30.37	-	-
B	Changes during the year					
	Date	Reason	28,36,130	6.07	1,70,16,780	30.37
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	1,70,16,780	30.37
2.	M/s. Menon United Pvt. Ltd. (Formerly Karveer United Pvt. Ltd.)					
A	At the beginning of year		1,13,44,000	24.29	-	-
B	Changes during the year					
	Date	Reason	22,68,800	4.86	1,36,12,800	24.29
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	1,36,12,800	24.29
3.	Mrs. Sucheta Nitin Menon					
A	At the beginning of year		42,04,010	9.00	-	-
B	Changes during the year					
	Date	Reason	8,40,802	1.80	50,44,812	9.00
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	50,44,812	9.00
4.	Mr. Aditya Nitin Menon					
A	At the beginning of year		23,76,640	5.09	-	-
B	Changes during the year					
	Date	Reason	4,75,328	1.02	28,51,968	5.09
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	28,51,968	5.09

Sr. No	Promoters' Name		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5.	Mr. Anshul Nitin Menon					
A	At the beginning of year		23,75,700	5.09	-	-
B	Changes during the year					
	Date	Reason	4,75,140	1.02	28,50,840	5.09
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	28,50,840	5.09
6.	Mr. Sachin R. Menon					
A	At the beginning of year		2,50,000	0.54	-	-
B	Changes during the year					
	Date	Reason	50,000	0.11	3,00,000	0.54
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	3,00,000	0.54
7.	Mrs. Smita Ramesh Dixit					
A	At the beginning of year		88,000	0.19	-	-
B	Changes during the year					
	Date	Reason	17,600	0.04	1,05,600	0.19
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	1,05,600	0.19
7.	Mr. Ramesh Dattatraya Dixit					
A	At the beginning of year		52,000	0.11	-	-
B	Changes during the year					
	Date	Reason	10,400	0.02	62,400	0.11
	02.09.2016	Issue of Bonus shares				
C	At the end of year		-	-	62,400	0.11

V) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares held	% of total shares of the Company	Date Of Transaction	No. of Shares	No. of Shares held	% of total shares of the Company
1	Mr. Tejas Thakorebhai Godiwala	165072	0.3535			165072	0.3535
	Issue of Bonus shares			2 Sep 2016	33014	198086	0.3535
	At the end of year					198086	0.3535
2	Ms. Harvinder Kaur Nath	96000	0.2056			96000	0.2056
	Issue of Bonus shares			2 Sep 2016	19200	115200	0.2056
	At the end of year					115200	0.2056
3	Ms. D Srimathi	95795	0.2051			95795	0.2051
	Issue of Bonus shares			2 Sep 2016	19159	114954	0.2051
	At the end of year					114954	0.2051
4	Ms. Jayashree Vithoba Shetti	119655	0.2562			119655	0.2562
	Market sell			02 Sep 2016	-36429	83226	0.1782
	Issue of Bonus shares			2 Sep 2016	23734	106960	0.1909
	At the end of year					106960	0.1909
5	Mr. Desai Pallavkumar Saubhagyachandra	55000	0.1178			55000	0.1178
	Market Buy			29 Apr 2016	1027	56027	0.1200
	Market Buy			06 May 2016	1473	57500	0.1231
	Market Buy			30 Jun 2016	5000	62500	0.1338
	Market Buy			15 Jul 2016	10000	72500	0.1552
	Market Buy			26 Aug 2016	2200	74700	0.1600
	Issue of Bonus shares			02 Sep 2016	800	75500	0.1617
	Market Buy			16 Sep 2016	15100	90600	0.1617
	At the end of year					90600	0.1617
6	M/s. Karvy Stock Broking Ltd	17630	0.0378			17630	0.0378
	Market sell			08 Apr 2016	-2713	14917	0.0319
	Market sell			15 Apr 2016	-410	14507	0.0311
	Market Buy			22 Apr 2016	25	14532	0.0311
	Market sell			29 Apr 2016	-346	14186	0.0304
	Market Buy			06 May 2016	613	14799	0.0317

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares held	% of total shares of the Company
	Market sell			13 May 2016	-648	14151	0.0303
	Market Buy			20 May 2016	905	15056	0.0322
	Market Buy			27 May 2016	374	15430	0.0330
	Market Buy			03 Jun 2016	2595	18025	0.0386
	Market sell			10 Jun 2016	-1031	16994	0.0364
	Market Buy			17 Jun 2016	1187	18181	0.0389
	Market sell			24 Jun 2016	-43	18138	0.0388
	Market Buy			30 Jun 2016	283	18421	0.0394
	Market sell			01 Jul 2016	-993	17428	0.0373
	Market Buy			08 Jul 2016	284	17712	0.0379
	Market Buy			15 Jul 2016	426	18138	0.0388
	Market Buy			22 Jul 2016	3040	21178	0.0453
	Market Buy			29 Jul 2016	236	21414	0.0459
	Market sell			05 Aug 2016	-1461	19953	0.0427
	Market Buy			12 Aug 2016	1767	21720	0.0465
	Market Buy			19 Aug 2016	1805	23525	0.0504
	Market sell			26 Aug 2016	-1637	21888	0.0469
	Issue of Bonus shares + Market Buy			02 Sep 2016	5602	27490	0.0589
	Market sell			09 Sep 2016	-3123	24367	0.0522
	Market Buy			16 Sep 2016	5197	29564	0.0528
	Market sell			23 Sep 2016	-220	29344	0.0524
	Market sell			30 Sep 2016	-896	28448	0.0508
	Market Buy			07 Oct 2016	468	28916	0.0516
	Market sell			14 Oct 2016	-3695	25221	0.045
	Market Buy			21 Oct 2016	344	25565	0.0456
	Market Buy			28 Oct 2016	1574	27139	0.0484
	Market Buy			04 Nov 2016	3370	30509	0.0544
	Market Buy			11 Nov 2016	2976	33485	0.0598
	Market Buy			18 Nov 2016	1483	34968	0.0624
	Market sell			25 Nov 2016	-1000	33968	0.0606
	Market sell			02 Dec 2016	-929	33039	0.059
	Market sell			09 Dec 2016	-1882	31157	0.0556
	Market Buy			16 Dec 2016	5245	36402	0.065
	Market Buy			23 Dec 2016	2917	39319	0.0702
	Market Buy			30 Dec 2016	4681	44000	0.0785
	Market Buy			06 Jan 2017	7835	51835	0.0925

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares held	% of total shares of the Company
	Market Buy			13 Jan 2017	15933	67768	0.1209
	Market Buy			20 Jan 2017	55	67823	0.1210
	Market Buy			27 Jan 2017	1939	69762	0.1245
	Market Buy			03 Feb 2017	4408	74170	0.1324
	Market sell			10 Feb 2017	-7548	66622	0.1189
	Market Buy			17 Feb 2017	6400	73022	0.1303
	Market Buy			24 Feb 2017	2364	75386	0.1345
	Market Buy			03 Mar 2017	6764	82150	0.1466
	Market Buy			10 Mar 2017	5076	87226	0.1556
	Market Buy			17 Mar 2017	6319	93545	0.1669
	Market sell			24 Mar 2017	-2386	91159	0.1627
	Market sell			31 Mar 2017	-4846	86313	0.1540
	At the end of year					86313	0.1540
7	Mr. Mahendra Chandulal Dharu	0	0.0000			0	0
	Market Purchase			26 Aug 2016	201	201	0.0004
	Market Purchase			02 Sep 2016	69689	69890	0.1497
	Issue of Bonus shares + Market Purchase			2 Sep 2016	15798	85688	0.1529
	At the end of year					85688	0.1529
8	Mr. Sukumar Jamburao Bindage	46480	0.0995			46480	0.0995
	Market Purchase			08 Apr 2016	964	47444	0.1016
	Market Purchase			15 Apr 2016	556	48000	0.1028
	Market Purchase			22 Apr 2016	600	48600	0.1041
	Market Purchase			29 Apr 2016	400	49000	0.1049
	Market Purchase			06 May 2016	600	49600	0.1062
	Market Purchase			13 May 2016	1000	50600	0.1084
	Market Purchase			20 May 2016	610	51210	0.1097
	Market Purchase			27 May 2016	180	51390	0.1100
	Market Purchase			03 Jun 2016	90	51480	0.1102
	Market Purchase			10 Jun 2016	772	52252	0.1119
	Market Purchase			17 Jun 2016	248	52500	0.1124
	Market Purchase			24 Jun 2016	70	52570	0.1126
	Market Purchase			30 Jun 2016	180	52750	0.1130
	Market Purchase			15 Jul 2016	180	52930	0.1133
	Market Purchase			22 Jul 2016	1006	53936	0.1155
	Market Purchase			29 Jul 2016	1289	55225	0.1183
	Market Purchase			05 Aug 2016	1145	56370	0.1207

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year - 2016		Transactions during the year		Cumulative Shareholding at the end of the year - 2017	
		No. of Shares held	% of total shares of the Company	Date of Transaction	No. of Shares	No. of Shares held	% of total shares of the Company
	Market Purchase			12 Aug 2016	910	57280	0.1227
	Market Purchase			19 Aug 2016	395	57675	0.1235
	Market Purchase			26 Aug 2016	2886	60561	0.1297
	Market Purchase			02 Sep 2016	939	61500	0.1317
	Issue of Bonus shares + Market Purchase			02 Sep 2016	12500	74000	0.132
	Market Purchase			23 Sep 2016	500	74500	0.1329
	Market Purchase			30 Sep 2016	509	75009	0.1338
	Market Purchase			07 Oct 2016	261	75270	0.1343
	Market Purchase			14 Oct 2016	160	75430	0.1346
	Market Purchase			21 Oct 2016	250	75680	0.135
	Market Purchase			28 Oct 2016	460	76140	0.1359
	Market Purchase			04 Nov 2016	320	76460	0.1364
	Market Purchase			11 Nov 2016	330	76790	0.137
	Market Purchase			18 Nov 2016	510	77300	0.1379
	Market Purchase			25 Nov 2016	150	77450	0.1382
	Market Purchase			23 Dec 2016	90	77540	0.1384
	Market Purchase			30 Dec 2016	150	77690	0.1386
	Market Purchase			13 Jan 2017	222	77912	0.139
	Market Purchase			20 Jan 2017	289	78201	0.1395
	Market Purchase			27 Jan 2017	299	78500	0.1401
	Market Purchase			03 Feb 2017	393	78893	0.1408
	Market Purchase			10 Feb 2017	527	79420	0.1417
	Market Purchase			17 Feb 2017	1280	80700	0.144
	Market Purchase			03 Mar 2017	900	81600	0.1456
	Market Purchase			10 Mar 2017	210	81810	0.146
	Market Purchase			17 Mar 2017	810	82620	0.1474
	Market Purchase			24 Mar 2017	1659	84279	0.1504
	Market Purchase			31 Mar 2017	621	84900	0.1515
	At the end of year					84900	0.1515
9	Mr. Sanjay Jagdish Poddar	68200	0.1460			68200	0.1460
	Issue of Bonus shares			2 Sep 2016	13640	81840	0.146
	At the end of year					81840	0.146
10	Ms. Premilaben Mahendrakumar Dharu	0	0.0000			0	0
	Market Purchase			02 Sep 2016	54285	54285	0.1162
	Issue of Bonus shares			02 Sep 2016	10857	65142	0.1162
	At the end of year					65142	0.1162

VI) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sr. No	For Each of the Directors and KMP		Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of the Director/KMP		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. R D Dixit					
A	At the beginning of year		52,000	0.11	-	-
B	Changes during the year					
	Date	Reason	10,400	0.02	62,400	0.11
	02.09.2016	Issue of Bonus Shares				
C	At the end of year		-	-	62,400	0.11
2.	Mr. Nitin Menon					
A	At the beginning of year		1,41,80,650	30.36	-	-
B	Changes during the year					
	Date	Reason	28,36,130	6.07	1,70,16,780	30.36
	02.09.2016	Issue of Bonus Shares				
C	At the end of year		-	-	1,70,16,780	30.36
3.	Mr. Sachin Menon					
A	At the beginning of year		2,50,000	0.54	-	-
B	Changes during the year					
	Date	Reason	50,000	0.11	3,00,000	0.54
	02.09.2016	Issue of Bonus Shares				
C	At the end of year		-	-	3,00,000	0.54
4.	Mr. B.S. AjitKumar					
A	At the beginning of year		-	-	-	-
B	Changes during the year		No change during the year			
C	At the end of year		-	-	-	-

Sr. No	For Each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
	Name of the Director/KMP	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
5.	Capt. Sudheer Naphade				
A	At the beginning of year	-	-	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	-	-
6.	Mrs. Nazura Ajaney				
A	At the beginning of year	-	-	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	-	-
7.	Mr. Mukund L. Shinde				
A	At the beginning of year	-	-	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	-	-
8.	Mr. Arun R. Aradhya				
A	At the beginning of year	-	-	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	-	-
9.	Mr. Anup S Padmai				
A	At the beginning of year	-	-	-	-
B	Changes during the year	No change during the year			
C	At the end of year	-	-	-	-

VII. INDEBTEDNESS:-

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rs. in Lakhs)

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial Year as on 01.04.2016				
1) Principal Amount	1006.54	227.77	-	1234.31
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	1006.54	227.77	-	1234.31
Change in Indebtedness during the financial year				
+ Addition	1647.75	-	-	1647.75
-Reduction	683.41	54.22	-	737.63
Net change	964.34	54.22	-	910.12
Indebtedness at the end of the financial year 31.03.2017				
1) Principal Amount	1970.88	173.55	-	2144.43
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	-	-	-	-
Total of (1+2+3)	1970.88	173.55	-	2144.43

VIII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:-**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:**

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount (In Lakhs)
		Managing Director	Joint Managing Director	
		Mr. R.D. Dixit	Mr. Nitin Menon	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act	58.52	81.31	139.83
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Managing Director	Joint Managing Director	
		Mr. R.D. Dixit	Mr. Nitin Menon	
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of Profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	58.52	81.31	139.83
	Ceiling as per the Act	As per Section 197 read with Schedule V of the Companies Act, 2013		

B. Remuneration of other Directors:

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount (in Lakhs)
		Mr. B.S. Ajitkumar	Capt. Sudheer Naphade	Mrs. Nazura Ajaney	Mr. M. L. Shinde	
1	Independent Directors					
	-Fee for attending Board/ Committee Meetings	0.04	0.05	0.05	0.05	0.19
	- Commission	-	-	-	-	-
	-Others	-	-	-	-	-
	Total (1)	0.04	0.05	0.05	0.05	0.19
2	Other Non Executive Directors	Mr.Sachin Menon				
	-Fee for attending Board / Committee Meetings			0.06		0.06
	- Commission			-		-
	-Others			-		-
	Total (2)			0.06		0.06
				Total = (1 +2)		0.25
	Overall Ceiling as per the Act	As per Section 197 read with Schedule V of the Companies Act, 2013				

C. Remuneration to Key Managerial Personnel Other than MD/ Manager/ WTD

Sr. No	Particulars of Remuneration	Name of the KMP		Total Amount (In Lakhs)
		Mr. Arun Aradhya, Chief Financial Officer	Mr. Anup Padmai, Company Secretary & Compliance Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act	24.31	2.67	26.98
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - As % of Profit - Others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	24.31	2.67	26.98

IX. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES :- None**BY ORDER OF THE BOARD OF DIRECTORS**

Place: Kolhapur
Date : 27th April, 2017

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

ANNEXURE II**DETAILS OF THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION**

Median Remuneration of the employees of the company for the financial year is Rs. 3.05 Lakhs

(i)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-	
Sr. No	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1	Mr. R.D. Dixit	19.20
2	Mr. Nitin Menon	26.68
3	Mr. Sachin Menon	0.02
4	Mr. B S Ajitkumar	0.01
5	Capt. Sudheer S. Naphade	0.02
6	Mrs. Nazura Ajaney	0.02
7	Mr. M. L. Shinde	0.02
8	Mr. Ram Menon (Resigned w.e.f 13.12.2016)	N.A.
(ii)	The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year	
Sr. No	Name of the Director	% Increase over last F.Y.
1	Mr. R.D. Dixit	12.10
2	Mr. Nitin Menon	NIL
3	Mr. Sachin Menon	50.00
4	Mr. B S Ajitkumar	0.00
5	Capt. Sudheer S. Naphade	0.00
6	Mrs. Nazura Ajaney	0.00
7	Mr. M. L. Shinde	Not comparable since appointed as Director w.e.f 29.01.2016
8	Mr. Ram Menon (Resigned w.e.f 13.12.2016)	N.A.
9	Mr. Arun Aradhya- CFO	15.46
10	Mr. Anup Padmai- CS	17.05
(iii)	The percentage increase in the median remuneration of employees in the financial year	9.79
(iv)	The number of permanent employees on the rolls of the company	213

(viii)	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 the managerial remuneration	Average percentile increase in Employee's other than managerial remuneration is 8.89% while managerial remuneration is increased by 4.73%
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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.

Place: Kolhapur
Date: 27th April, 2017

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

Capt. Sudheer S. Naphade
Chairman of Nomination &
Remuneration Committee
DIN : 02011352

ANNEXURE III

INFORMATION AS REQUIRED UNDER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I Names of the top ten employees of the Company in terms of remuneration drawn										
Sr no.	Name of employee	Designation of the employee	Remuneration received (Amt. in Lakhs)	Nature of employment, whether contractual or otherwise	Qualifications and experience of the employee	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	Vice Chairman & JMD	81.31	Permanent	B.Com	01.10.1992	50	-	49.55	Brother of Mr. Sachin Menon
2	Mr. R.D. Dixit	Chairman & MD	58.52	Permanent	B.E. Mech	01.10.1992	74	-	0.30	Not Related
3	Mr. Aradhye Arun Ramchandra	Vice President Finance & Corporate (CFO)	24.31	Permanent	M.Com, GDC&A, LLB (Spl), CA (Inter)	01.11.2011	61	Ghatge Patil Transport Ltd., Kolhapur	Nil	Not Related
4	Mr. Ranjeet Babasaheb Bhosale	Chief Operating Officer	16.81	Permanent	B.E. Mech	01.01.2006	50	Thyssen Group, Pune	Nil	Not Related
5	Mr. Suresh Murlidhar Kulkarni	Assistant General Manager, Customer Services	10.60	Permanent	D.M.E.	10.03.2015	54	Sterling Industries, Nashik.	Nil	Not Related
6	Mr. Ganpati Appaji Sankpal	Assistant General Manager, (Engineering Dept)	9.58	Permanent	ITI - Draughtsman Mech	01.06.1992	52	Menon Piston Ltd., Kolhapur	0.004	Not Related
7	Mr. Shantaram Babu Dhond	Assistant General Manager, Foundry	8.69	Permanent	B.E.	06.10.2006	43	Mani Auto Component, Kolhapur	Nil	Not Related
8	Mr. Prashant Dattatraya Hanamar	Sr. Manager	7.75	Permanent	B.E.	14.07.1994	50	Xlo Mechine Tools Ltd, Thane	Nil	Not Related

9	Mr. Satish Madhusudan Kusurkar	Manager	7.37	Permanent	B. TEC	01.10.2014	44	Siddhivinayak Aesthetic Pvt. Ltd.	Nil	Not Related
10	Mr. Dharmendra Kumar Jha	Regional sales Manager	6.38	Permanent	D.A.E.	15.05.2014	57	Benara Udyog Ltd, Agra	Nil	Not Related
II	Name of employees who were employed throughout the Financial Year 2016-17 and were paid remuneration not less than Rupees 1 Crore 2 lakhs per annum- NIL									
III	Name of employees who were employed in part during the Financial Year 2016-17 and were paid remuneration not less than Rupees 8 lakhs 50 thousand per month- NIL									
IV	Name of employees who were employed throughout the Financial Year 2016-17 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									

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

ANNEXURE IV
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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
Kolhapur

We 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) and having its registered office at G-1, MIDC Gokul Shirgaon, Kolhapur – 416234 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 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:

We 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, 2017 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 there under 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'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not applicable to the company during the audit period**);
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(**Not applicable to the company during the audit period**);

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the company during the audit period**);
- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the company during the audit period**);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable to the company during the audit period**); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) There are no laws that are specifically applicable to the company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

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

Adequate notice is 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.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We 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.

We further report that during the audit period:

1. the approval of shareholders for issue of 93,40,000 Equity Shares of Re. 1/- each as fully paid up bonus shares in the proportion of 1 (One) Equity Share for every 5 (Five) existing Equity shares by capitalization of reserves aggregating to Rs. 93,40,000/- was obtained through Postal Ballot process, the result of which was declared on 18th August, 2016;
2. pursuant to the approval of shareholders as mentioned above, the Board of Directors of the Company at their meeting held on 2nd September 2016 allotted 93,40,000 Equity Shares of Re. 1/- each aggregating to Rs. 93,40,000/- by capitalization of reserves and distributed the same as fully paid up bonus shares in the proportion of 1 (One) Equity Share for every 5 (Five) existing Equity shares held to those shareholders whose name appeared in the Register of Member/Register of Beneficiaries as on 31st August, 2016 (the Record Date);

3. the Company incorporated a wholly owned subsidiary Flyga Auto Private Limited on 30th September 2016 with an investment of Rs.3.67 crores (36,70,000 Shares of face value of Rs. 10/- each) as subscription to the equity capital;
4. the Board of Directors of the Company at their meeting held on 9th February 2017, declared an interim dividend of Re.1/- per share in respect of 5,60,40,000 equity shares of the face value of Re.1/- each for the financial year 2016-17; and
5. the Board of Directors of the Company at their meeting held on 9th February 2017 approved the divestment of its stake in the wholly owned subsidiary Flyga Auto Private Limited to the promoters of the company and accordingly Flyga Auto Private Limited ceased to be subsidiary of the company w.e.f. 22nd March 2017.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**For Manish Ghia & Associates
Company Secretaries**

A. N. Sarma
Partner

M. No. FCS 4557 C.P. No. 7812

Place: Mumbai
Date : 27th April, 2017

'Annexure A'

To,
The Members,
Menon Bearings Limited
Kolhapur

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we 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. Our 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 **Manish Ghia & Associates**
Company Secretaries

A. N. Sarma
Partner

M. No. FCS 4557 C.P. No. 7812

Place: Mumbai
Date : 27th April, 2017

ANNEXURE V

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars		Details				
1	A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs		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 on https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c80540261dc13981c650/1459144739201/CSR+Policy.pdf				
2	The Composition of the CSR Committee.		Mrs. Nazura Ajaney – Chairperson Mr. R. D. Dixit – Member Mr. Nitin Menon – Member Mr. M L Shinde – Member				
3	Average net profit of the company for last three financial years		Rs. 1,628.78 Lakhs				
4	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above)		Rs. 32.58 Lakhs				
5	Details of CSR spent during the financial year. a) Total amount to be spent for the financial year b) Amount unspent, if any		a) Rs.70.49 Lakhs (including Rs. 39.41 lakhs as part of previous years CSR expenditure) b) Rs.62.02 Lakhs				
c) Manner in which the amount spent during the financial year is detailed below:							
Sr. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or Programs Local Area or other Specify the State and district where projects or programs are taken	Amount Outlay (Budget) project or program wise	Amount spent on the projects or programs Sub-heads (1)Direct expenditure on projects or programs (2) Overheads	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
a	Kolhapur Street Beautification Project (KSBP)- initiative of Active	Ensuring Environmental sustainability	Kolhapur, Maharashtra, India	Rs. 5,00,000/-	Direct Expenditure	Rs.5,00,000/-	Implementing Agency

	Charitable Trust, Kolhapur- Financial contribution to the work of sustainable development of streets of Kolhapur, Maharashtra, India						
b	Financial contribution to National Association for the Blind on account of state Level sports Competition for Blinds	Encouragement to physical disabled people	Kolhapur, Maharashtra, India	Rs. 2,50,000/-	Direct Expenditure	Rs. 2,50,000/-	Implementing Agency
c	Financial Assistance to socially & economically backward children for perusing education	Promotion of education to socially & economically backward	Kolhapur, Maharashtra, India & other cities of India	Rs. 97,000/-	Direct Expenditure	Rs. 97,000/-	Direct
		TOTAL		Rs. 8,47,000/-		Rs. 8,47,000/-	
6	In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:	<p>The Company is in a process of setting up of Community Hall/ Auditorium on the land provided by Gokul Shirgaon Manufacturers Association (GOSHIMA) at Gokul Shirgaon, MIDC, Kolhapur, where the Registered Office of the Company is situated. The proposed Auditorium is proposed to be used by fellow Industrialists where training shall be imparted for improving skills of laborers and entrepreneurs.</p> <p>GOSHIMA Officials are in the process of taking necessary permissions for construction of the said Auditorium and the Company shall start spending on the same after obtaining necessary permissions.</p>					

The CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Place: Kolhapur
Date: 27th April, 2017

Nitin Menon
Vice Chairman & Joint Managing Director
DIN: 00692754

Nazura Ajaney
Chairman of CSR Committee
DIN: 006947881

ANNEXURE VI

(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.

FROM - AOC 2

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

There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2017 which were not at arm's length basis.

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

A) M/s MB Exports, Partnership firm

Sr.no.	Particulars	Details
1	Name(s) of the related party and nature of relationship	M/s. MB Exports, Partnership firm in which Director and his relatives are interested
2	Nature of contracts / arrangements / transactions	Sale of goods/services
3	Duration of the contracts / arrangements / transactions	1 st April, 2015 till 31 st March, 2018
4	Salient terms of the contracts or arrangements or transactions including the value, if any	F.Y. 2015-16 – Rs.3100 lakhs F.Y. 2016-17 – Rs.3300 lakhs F.Y. 2017-18 - Rs.3500 lakhs
5	Date of approval by Board	11 th May, 2014
6	Amount paid as advance, if any	Nil

B) M/s Mani Auto Components, Partnership firm

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 services.
3	Duration of the contracts / arrangements / transactions	1 st April, 2015 till 31 st March, 2018
4	Salient terms of the contracts or arrangements or transactions including the value, if any	F.Y. 2015-16 – Rs.2100 lakhs F.Y. 2016-17 – Rs.2500 lakhs F.Y. 2017-18 - Rs.3000 lakhs
5	Date of approval by Board	11 th May, 2014
6	Amount paid as advance, if any	Nil

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

Annexure VII

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

I. CONSERVATION OF ENERGY

Company has taken several steps to conserve energy through its “Sustainability” initiatives. The Company continues its endeavour to improve energy conservation and utilization. The Company has always been mindful of the need for conservation of energy and has been sensitive in making progress towards this end. Energy conservation measures have been implemented at all the plants and offices of the Company and special efforts are being put on undertaking specific energy conservation projects like:-

- Shop No. 1 and 2 Hibay 250w mvp lamps replaced with advanced technology led lamps of 100 w energy saved 150 w/lamp with improved lux level at shop floor.
- In case of power failure given back up of 625 kva generator to plating plant for avoiding rejection of Bearings due to process stopped, also line run continuously.
- All capacitor panels now equipped with APFC controller for fine controlling of power factor. For last financial year 16-17 power factor is maintained to 0.999 continuously.
- Flange line 400 t press machine electrical panel reconditioning- all electrical contactor logic replaced with plc logic, also machine cycle starts in automatic mode, thus production rate and machine safety is improved.
- Bearing line no. 2 king grooving machine old panel and plc replaced with fx3u 48 mr plc field wiring and control wiring replaced. The machine program is changed. If the machine is idle more than 3 minutes, all motors will be stopped.
- At Casterline Recoiler Unit, Hydraulic Circuit modification is done so that 3.7 kw motor which was running continuously is now stopped during complete production cycle.
- Powder Foundry dryer unit powder unloading system is modified so that electrical vibration system use is completely eliminated. Now powder is being unloaded due to gravity only.

II. TECHNOLOGY ABSORPTION

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

A. Research and Development (R&D):

1	Specific areas in which R & D is being carried out by the company	The Company is putting continuous efforts in acquisition, development, assimilation and utilization of technological knowledge through its wide advance engineering project portfolio. This has enabled the Company to keep abreast with the latest developments in product technology, manufacturing process and methods, quality assurance and improvement, marketing, management systems and benefit out of mutual experience
2	Benefits derived as a result of above	<ul style="list-style-type: none"> • Increased Customer satisfaction & sale ability. • Improved Brand equity. • Cost Reduction through Quality & productivity. • New product introduction.

3	Future plan of action	<ul style="list-style-type: none"> • To strengthen 5 S in entire plant. • To introduce auto gauging system for Bearing, Bush & Thrust Washers. • To motivate employees for Kaizen/Pokayoke Project. • To introduce world Class Concept for layout
4	Expenditure on R & D	<ul style="list-style-type: none"> a) Capital WIP: Nil b) Recurring: 40.20 Lakhs c) Total: 40.20 Lakhs d) Total R & D expenditure as a percentage of total turnover : 0.32%

B. Technology Absorption, Adaptation & Innovation

1) Efforts in brief, made towards Technology Absorption, Adaptation and Innovation	<ul style="list-style-type: none"> • Introduced returnable packaging concept for few OEMs and local customers. • Ultrasonic cleaning process for all products has introduced Implementation of Pokayoke project is in process. • Implementation of Six Sigma project with few OEMs. • The 160 Ton press is installed for Blanking. • Developed new rack for Plating to reduce operator fatigue and introduced Bearing loading fixture. • Additional Wagon installed at PLT -025 for productivity increment. • Shop Flore layout changed to reduce Forklift movements to optimize material flow. • New Airnet Piping installed at Bushing line to reduce air consumption and zero leakage.
2) Benefits derived as a result of above effort e.g. product improvement, cost reduction, product development etc.	<ul style="list-style-type: none"> 1) Improved productivity. 2) Saving in cost of man power. 3) Reuse of material resulted in to reduction of material cost. 4) Reduce the cost of electricity.
3) In case of imported technology (imported during last 5 years recorded from beginning of the Financial Year)	<p>We have imported following machineries and the same are in operation trouble free:-</p> <ul style="list-style-type: none"> • During the year 2015-16 following machineries are imported <ul style="list-style-type: none"> 1. VMC Machine from Taiwan. 2. High Pressure Die Casting Machine (total 4 machines) from China 3. Die Making Vertical Machining Center from Taiwan. 4. 400 Tons Knuckle Joint Press from Lithuania. • During the year 2016-17 following machineries are imported <ul style="list-style-type: none"> 1. 400 Tons and 500 Tons cold chamber Die Casting Machine with spare parts from China. 2. Zoller Tool Presetter from Singapore.

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., Italy, France, China, Mexico, Brazil, etc.		
Total foreign exchange used and earned.		Current Year (Rs. in Lakhs)	Previous Year (Rs. in Lakhs)
Used	Imports	373.44	157.80
Earned	Direct Export	993.68	769.70
	Deemed Export	2,670.16	2,216.97

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

Place: Kolhapur
Date : 27th April, 2017

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

Management Discussion and Analysis

Industrial Review:

The Indian auto-components industry can be broadly classified into the organised and unorganised sectors. The organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category. Over the last decade, the automotive components industry has scaled three times to US\$ 39 billion in last year, while exports have grown even faster to US\$ 10.8 billion. This has been driven by strong growth in the domestic market and increasing globalisation (including exports) of several Indian suppliers.

The Indian Auto Component industry is expected to grow by 8-10 percent in FY 2017-18, based on higher localisation by Original Equipment Manufacturers (OEM), higher component content per vehicle, and rising exports from India.

During the Q1 of F.Y. 2016-17 there was recovery in the domestic PV (passenger vehicles) market as well as strong double digit growth in medium & heavy commercial vehicle (M&HCV) segments supported OE demand, whereas rural dependent segments like motorcycle, light commercial vehicles (LCVs) and tractors remained tepid. Rural dependent segments have performed relatively better as compared to previous year though full recovery is still sometime away. Supported by the 7th Pay Commission, implementation and recovery in rural income with a good monsoon as well as overall improved customer sentiments, domestic OE demand has gained a fillip in the current fiscal.

In the Q 3 of F.Y. 2016-17 the Auto Component industry has grown at slower pace in the backdrop of slower than expected pickup in realisation, subdued exports as well as impact on OE demand due to demonetisation measures. The OE demand has got impacted in the immediate term owing to demonetisation measures, though volume was normalized in Q4 of F.Y. 2016-17 on account of improved liquidity condition. In the interim, auto companies as well as their vendors could witness some correction in demand. Also, continued slowdown in the demand in the US M&HCV market and moderate growth in US as well as EU PV, market has further dampened overall growth expectations. While Q2 F.Y. 2016-17 was a strong quarter for the domestic two-wheeler (2W) and passenger vehicle (PV) industry, the M&HCV segment played spoilsport with sharp double digit decline in volume. Other segments like light commercial vehicle (LCVs) and tractors continued to report healthy recovery, albeit on low base of the last fiscal. OE exports, especially in the 2W and 3W segment continued to exhibit weakness which ultimately affected production volume and auto component supplies to OEM. Even in the PV segment, which is witnessing robust double digit domestic as well as export growth, production volume was relatively low reflecting OEMs have utilized opportunity to clear surplus inventory stock.

While OE demand has been impacted in the immediate term due to de-monetisation, its impact on auto ancillary segment form last few weeks, given the pipeline inventory. However, as automotive demand reverts back to a steady state over the next two-three months with expected improvement in liquidity, impact of this blip is expected to be mitigated considerably.

Futuristic Outlook:-

The Government of India's Automotive Mission Plan (AMP) 2006–2016 has come a long way in ensuring growth for the sector. It is expected that this sector's contribution to the GDP will reach US\$ 145 billion in F.Y. 2017-18 due to the government's special focus on exports of small cars, multi-utility vehicles (MUVs), two and three-wheelers and auto components. Separately, the deregulation of FDI in this sector has also helped foreign companies to make large investments in India. The Government of India's Automotive Mission Plan

(AMP) 2016–2026 envisages creation of an additional 50 million jobs along with an ambitious target of increasing the value of the output of the sector upto Rs 1,889,000 crore (US\$ 282.65 billion).

Implementation of the 7th Pay Commission is expected to support demand for urban/semi-urban segment demand for PV, and scooter, whereas rural demand for motorcycles and tractors will be driven by robust monsoon improving farmer cash flows and sentiments. In exports, robust demand for PV in North America as well as Europe is likely to offset decline in the M&HCV segment in those markets. Consequently, both exports and OE demand is expected to perform relatively better in F.Y. 2017-18. Relatively higher OE and exports demand, coupled with stable aftermarket demand, is likely to drive overall auto component industry growth.

Concern & Threats:-

The auto component industry has been exposed to many risks of varying intensity. Three important concerns and threats auto component industry is facing are:-

- Regulatory & Infrastructure Bottleneck
- Low R&D spending and dependence on global suppliers for technology knowhow
- Rising imports from China

At the same time, increase in electricity charges all of a sudden, volatility in the prices of raw materials & other inputs, currency fluctuations, stiff competition by the entry of Multinationals and their home country partnership and just in time supplies are the major risks and challenges faced by the companies. It is forcing companies to plan operation more effectively and produce quality components at low costs.

Future Challenge:-

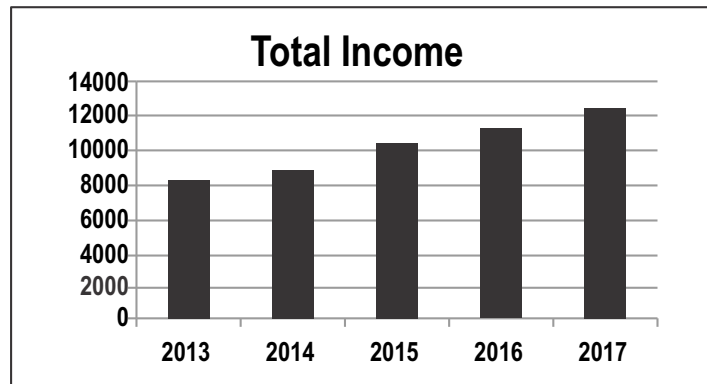
Many interventions as envisaged under AMP 2016 have been implemented but some of the interventions have progressed slowly or could not be taken up. Further, several new issues have emerged that need immediate attention of both the government and the industry. The sluggish macro-economic factors during the last 3 years have led to a significant slowdown, which is amongst the worst that the Indian automotive industry has witnessed. This has impacted the pace of growth resulting in underachievement of some targets envisaged in AMP 2016. We need to focus on improving quality levels and basic shop floor practices to develop capability to keep pace with the international quality standards which are constantly moving upwards.

Some challenges need to be addressed by auto components industry along with the government, are as follows:-

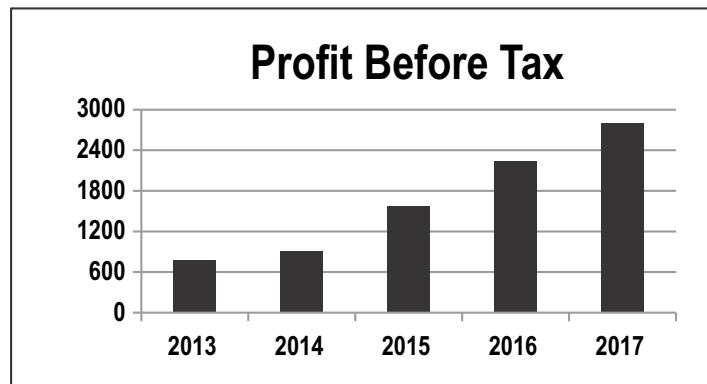
- New and alternative vehicle technologies viz. Electric Vehicles, Hybrid, Hydrogen, Fuel Cells and others;
- Setting up a technology acquisition fund for acquiring latest technologies and making it available to the industry for commercial purposes;
- Regulations pertaining to automotive aftermarket to bring in minimum quality and qualification criteria for repair, service and spare parts;
- Regulatory framework for setting up of independent garages and repair establishments;
- Scheme for technology up-gradation and R&D focused on increasing fuel efficiency, reducing emissions and improving vehicle safety.

Financial Performance:

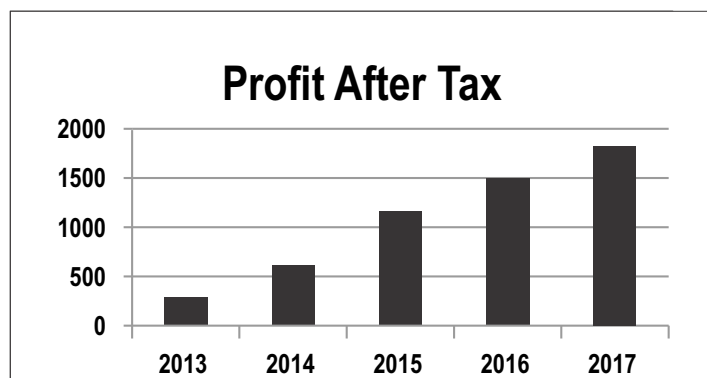
Year	Income <i>(Rs.in Lakhs)</i>
2013	8409.69
2014	8744.11
2015	10391.12
2016	11191.14
2017	12422.18



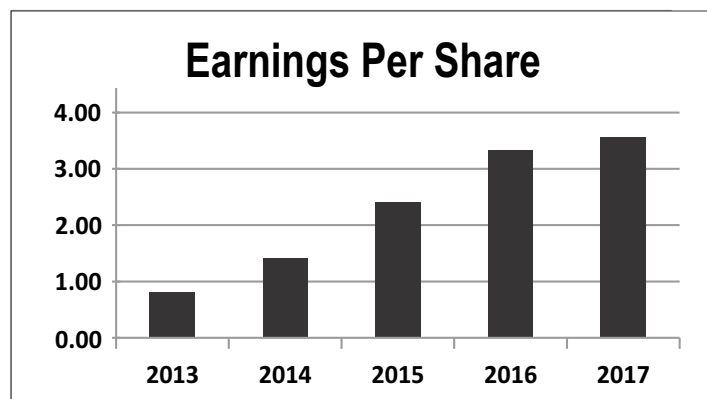
Year	PBT <i>(Rs. in Lakhs)</i>
2013	671.80
2014	901.74
2015	1662.69
2016	2332.88
2017	2767.89



Year	PAT <i>(Rs. in Lakhs)</i>
2013	369.58
2014	617.75
2015	1154.49
2016	1489.06
2017	1923.85



Year	EPS <i>(in Rs.)</i>
2013	0.80
2014	1.32
2015	2.47
2016	3.19
2017	3.43



Internal Control System & Adequacy:

The Company has an adequate Internal Audit System that promotes reliable financial reporting, safeguards assets, encourages adherence to fair management and ethical conduct. The strong Internal Control Systems have been designed in a way that, they not only prevent fraud and misuse of the Company's resources but also protect shareholders' interest. 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.

Development in Human Resources:

The Company strives to develop the most superior workforce so that it can accomplish along with the individual employees, their work goals & services to its customers & stakeholders. Our fundamental belief in immense power of human potential and team work is epitomised in our 'WE' approach. To us, 'WE' represents a strong collective energy. A transformational force that stimulates enterprise accelerates our constant pursuit of excellence and empowers our people to realise their full potential. The Company also believes human resources as the supporting pillars for the organization's success. As on 31st March, 2017 the company had 213 permanent employees.

Development & Up-gradation of Technology:

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

1. 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 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 25% of its production, it enjoys strong brand equity among leading OEM's all over the world.

Forward Looking Statements:

Certain statements in the 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.

Report on Corporate Governance

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 inception have contributed to the Company's sustained growth.

1.2 The 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 conducts overall strategic supervision and control by setting the goals and targets, policies, reporting mechanism and accountability and decision making process to be followed.
- (ii) Committees of Directors –The various Committees namely, Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility ('CSR') Committee are focused 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, who are experienced, competent and highly renowned persons from the fields of manufacturing, finance, taxation, economics, law, governance, etc. The Board of Directors 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.

They 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 Board of Directors.

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 (hereinafter referred as 'Listing Regulations'). As on financial year ended 31st March, 2017, the total Board strength comprises of the following:

Executive Directors	2
Non -Executive Non – Independent Directors	1
Independent Directors	4
Total	7

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 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, 2017 is given below:

- 1. Mr. R. D. Dixit**, (DIN: 00626827) aged 74 years, is Chairman & 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 since more than 50 years.
- 2. Mr. Nitin Menon**, (DIN: 00692754) aged 50 years, is Promoter, Vice Chairman & Joint Managing Director of the Company. He is associated with the Company since 1995. He has rich and varied experience in the field of Automobile Sector. He is also engaged in the field of Agriculture and allied services thereof.
- 3. Mr. Sachin Menon**, (DIN: 00134488) aged 54 years, is Promoter, Non-Executive Director of the Company since 1991. He is Bachelor of Engineering (Mech.) and has expertise in the fields of manufacturing of automobile components.
- 4. Mr. B. S. Ajitkumar**, (DIN: 00205336) aged 68 years, is Independent Director of the Company since 2008. He is Bachelor of Engineering (Mech.) and M. Tech from IIT, Kharagpur and has vast experience in the field of manufacturing of automobiles components. He has worked with TELCO, BEML, ESCORT, etc.
- 5. Capt. Sudheer S. Naphade**, (DIN: 02011352) aged 74 years, is Independent Director of the Company since 2013. He has acquired Masters and Extra Masters Certificate of Competency issued by Government of India and U.K., respectively. He has been Master of Ships on International Trade, also served as Nautical Surveyor, Marine Superintendent, Principal Officer, Chief Marine Surveyor, Nautical Advisor, Director General of Shipping, Chief Examiner of Masters & Mate, etc.
- 6. Mrs. NazuraAjaney**, (DIN: 06947881) aged 46 years, is Independent Director of the Company since 2014. She is having vast experience in various capacities as she is CEO of Childology (company which provides counseling to children & parents), working with NGOs for rehabilitating women and children with HIV/ AIDS by providing them support, advice, creating awareness, involved in CSR activities.

7. Mr. Mukund L Shinde, (DIN: 07417527) aged 65 years, is Independent Director of the Company w.e.f 29th January, 2016. He is M.COM, LL.M, FCA and FCS and has vast experience in the fields of Finance, Accounts, Corporate laws, Taxation, etc.

2.3 Meetings, agenda and proceedings etc. of the Meeting of Board of Directors:

Meetings:

The Board generally meets 4 times during the year. Additional meetings are held when necessary. The Directors are also given an option of attending the board meeting through video conferencing, whenever they request for the same. During the year under review, the Board of Directors met 7 (Seven) times on 10th May, 2016, 26th June, 2016, 14th July, 2016, 19th August, 2016, 2nd September, 2016, 21st October 2016 and 9th February, 2017. The previous Annual General Meeting ('AGM') of the Company was held on 21st July, 2016. The attendance record of the Directors at the Board Meetings and at previous AGM is as under:-

Sr. No.	Name of Director	Category	Attendance at meetings		As on 31 st March, 2017 (Excluding position in the Company)			Inter se relationship among Directors	No. of Shares held
			Board	AGM	No. of Directorships	Committee			
						Membership	Chairmanship		
1.	Mr. Ram Menon	Chairman Emeritus*	5	Yes	NA	NA	NA	Mr. Ram Menon is father of Mr. Nitin Menon and Mr. Sachin Menon.	Nil
2.	Mr. Sachin Menon	Non Executive Director	7	Yes	1	1	-	Mr. Sachin Menon in son of Mr. Ram Menon and brother of Mr. Nitin Menon.	3,00,000
3.	Mr. R. D. Dixit	Chairman & Managing Director ‡	6	Yes	1	1	1	Not Related	62,400
4.	Mr. Nitin Menon	Vice Chairman & Joint Managing Director ©	7	Yes	1	-	-	Mr. Nitin Menon is the son of Mr. Ram Menon and brother of Mr. Sachin Menon.	1,70,16,780
5.	Mr. B. S. Ajitkumar	Independent Director	4	-	1	-	1	Not Related	Nil
6.	Capt. Sudheer S. Naphade	Independent Director	5	-	-	-	-	Not Related.	Nil
7.	Mrs. Nazura Ajaney	Independent Director	5	-	3	2	-	Not Related	Nil
8.	Mr. M.L.Shinde (w.e.f. 29 th January, 2016)	Independent Director	7	Yes	-	-	-	Not Related.	Nil

* Resigned as Non Executive Chairman w.e.f 13th December, 2016 and appointed as Chairman Emeritus w.e.f 9th February, 2017

‡ Re-designated as Chairman & Managing Director w.e.f. 9th February, 2017

© Re-designated as Vice Chairman & Joint Managing Director w.e.f. 9th February, 2017

- The Directorship held by Directors as mentioned above do not include Alternate Directorships and Directorships in Foreign Companies, Section 8 Companies and Private Limited Companies.
- Membership/Chairmanship in Audit Committee and Stakeholder's Relationship Committee are considered.
- None of the Independent Director, serves 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.

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 the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 9th February, 2017 to review the performance of Non-Independent Directors (including the Chairman) and the Board as whole and also the flow of information from and to the Board/ Management.

Director's Familiarization programme:

The Company undertakes and makes necessary provision for an appropriate induction programme of new Directors and ongoing training for existing Directors. The new directors are introduced to the Company's culture, through appropriate training programmes. Such kind of training programmes helps to develop relationship of the Directors with the Company and familiarise them with Company processes. The management provides such information and training either at the meeting of Board of Directors or otherwise.

The induction process is designed to:

- build an understanding of the Company processes and
- fully equip Directors to perform their role on the Board effectively

Upon appointment, Directors receive a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of Director's induction and familiarization are available on the Company's website at :-

<http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c35c4d088eb411a0883b/1459143658277/Terms+of+Appointment+of+Independent+Director.pdf>

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. 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 meetings of the Board and its Committees 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 ensuing Board Meeting.

Code of Conduct:

The Board of Directors has laid down a Code of Conduct for Business and Ethics ('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. Nitin Menon, Vice Chairman & Joint Managing Director of the Company affirming the compliance of the same in respect of the financial year ended on 31st March, 2017 by the members of the Board and Senior Management Personnel, as applicable to them, is also annexed to this Annual Report.

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, Designated employees who could have access to the unpublished price sensitive information of the Company are governed by this code. The trading window is closed during the time of declaration of results and occurrence of any material events as per the code.

3. AUDIT COMMITTEE

Pursuant to the provisions of Section 177 of Companies act, 2013 and Regulation 18 of Listing Regulations, the Board of Directors has duly constituted the Audit Committee. Majority of the members of the Committee are Independent Directors including the Chairman of the Committee. They possess sound knowledge on accounts, audit, finance, taxation, internal controls, etc. Mr. Anup Padmai, Company Secretary & Compliance Officer of the Company acts as Secretary to the Committee.

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

During the year under review, the Audit Committee met 4 (four) times on 10th May, 2016, 14th July, 2016, 21st October, 2016, 9th February, 2017. As stipulated, the gap between two committee meetings did not exceed one hundred and twenty days.

3.1 Composition and Attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. M. L. Shinde	Chairman	4	4
Mr. B. S. Ajitkumar	Member	4	4
Mr. R. D. Dixit	Member	4	3
Capt. Sudheer S. Naphade	Member	4	3

3.2 Terms of reference:

The terms of reference of the Audit Committee are as per the guidelines set out in the Listing Regulations, 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 either by the Internal Auditors.
- Letters 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 Listing Regulations, the Board of Directors has duly constituted the Nomination and Remuneration Committee. The Nomination and Remuneration Committee recommends the remuneration payable to executive directors and senior management personnel of the Company. Mr. Anup Padmai, Company Secretary & Compliance Officer of the Company acts as a secretary to the Committee.

During the year under review, the Nomination and Remuneration Committee met 2 (two) times on 10th May, 2016 and 9th February, 2017.

4.1 Composition and Attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Capt. Sudheer S. Naphade	Chairman	2	2
Mr. B. S. Ajitkumar	Member	2	2
Mrs. Nazura Ajaney	Member	2	1
Mr. M L Shinde	Member (w.e.f. 10 th May, 2016)	2	1

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 Employees of the Company. The same is also available on the website of the Company at :-
<http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c9c4a3360c3a90bf041e/1459145236512/Policy+on+criteria+for+appointment+%26+remuneration+of+directors%2C+KMPs+%26+Senior+Management+personnel.pdf>
- Determine terms and conditions for appointment of Independent Directors. The same is also available on the website of the Company at:-
<http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c35c4d088eb411a0883b/1459143658277/Terms+of+Appointment+of+Independent+Director.pdf>

Performance Evaluation Criteria of Independent Director:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 read with Schedule IV to the Act and Regulation 18 of the Listing Regulations and Schedule II to the Listing Regulations, the Nomination and Remuneration Committee has formulated a policy on Board Evaluation and evaluation of individual directors.

The evaluation is based on various factors which are follows:

- Attendance at Board and Committee Meetings
- Level of Participation
- Contribution to the development of strategies and Risk Assessment and Management
- Overall interaction with the other members of the Board

4.3 Remuneration Policy:

The Company follows a policy on remuneration of Directors and Senior Management Employees.

Remuneration of Managing Directors:

- At the time of appointment or re-appointment, the Managing Directors shall be paid such remuneration as may be mutually agreed between the Company (which includes the Nomination and Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under the Companies Act, 2013.
- The remuneration shall be subject to the approval of the Members of the Company in General Meeting.
- The remuneration of the Managing Directors is broadly divided into fixed and variable component.
- The fixed compensation shall comprise salary, allowances, perquisites, amenities and retiral benefits. The variable component shall comprise of performance bonus.
- In determining the remuneration (including the fixed increment and performance bonus) the Nomination and Remuneration Committee shall consider the following:
 1. The relationship of remuneration and performance benchmarks is clear;
 2. Balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
 3. Responsibility of the Managing Directors and the industry bench marks and the current trends;
 4. The Company's performance vis-à-vis the annual budget achievement and individual performance.

Remuneration of Non-Executive Directors:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him not exceeding the sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

Remuneration of Senior Management Employees:

In determining the remuneration of the Senior Management Employees (i.e. Key Managerial Personnel and Executive Committee Members), the Nomination and Remuneration Committee shall consider the following:

1. The relationship of remuneration and performance benchmark is clear;
2. The fixed pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals;
3. The components of remuneration includes salaries, perquisites and retirement benefits;
4. The remuneration including annual increment and performance incentive is decided based on the criticality of the roles and responsibilities, the Company's performance vis-à-vis the annual budget achievement, industry benchmark and current compensation trends in the market.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and after taking into account the appraisal score card and other factors mentioned hereinabove, recommends the annual increment to the Nomination and Remuneration Committee for its review and approval.

4.4 Details of remuneration and sitting fees paid to the Directors:

Details of remuneration/sitting fees paid during the financial year 2016-17 are as follows:

(Amt. in Rs.)

Name of the Director	Salary	Contribution to Provident Fund	Other Perquisites	Sitting Fees	Total
Mr. Ram Menon	Nil	Nil	Nil	4,000	4,000
Mr. R. D. Dixit	46,23,060	2,99,088	9,29,787	Nil	58,51,935
Mr. Nitin Menon	44,53,440	2,75,760	34,01,523	Nil	81,30,723
Mr. Sachin Menon	Nil	Nil	Nil	6,000	6,000
Mr. B S Ajitkumar	Nil	Nil	Nil	4,000	4,000
Capt. Sudheer S. Naphade	Nil	Nil	Nil	5,000	5,000
Mrs. Nazura Ajaney	Nil	Nil	Nil	5,000	5,000
Mr. M. L. Shinde	Nil	Nil	Nil	5,000	5,000

Note : The Company has not granted any stock options.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Pursuant to the provisions of Section 178 of Companies Act, 2013 and Regulation 20 of the Listing Regulations, 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 10th May, 2016, 14th July, 2016, 21st October, 2016 and 9th February, 2017.

5.1 Composition and Attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mr. Sachin Menon	Chairman	4	4
Mr. R. D. Dixit	Member	4	3
Mr. Nitin Menon	Member	4	4

Mr. Anup Padmai, Company Secretary is designated as the "Compliance Officer" who oversees the redressal of the investors' grievances.

The detailed particulars of investors' complaints handled by the Company and its Registrar & Share Transfer Agents during the year 2016-17 are as under:

Nature of Complaints	Opening	Received during the year	Resolved	Pending at the end of year
Non-receipt of Share Certificate	Nil	14	14	Nil
Non-receipt of Dividend/ Interest/ Redemption Warrant	Nil	18	18	Nil
Non-receipt of Annual Report	Nil	1	1	Nil
Others	Nil	1	1	Nil
Total	Nil	34	34	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 CSR Committee. During the year under review, the Committee met once on 21st October, 2016.

6.1 Composition and Attendance:

Name of the Member	Status	No. of Meetings	
		Held	Attended
Mrs. Nazura Ajaney	Chairperson	1	1
Mr. R. D. Dixit	Member	1	1
Mr. Nitin Menon	Member	1	1
Mr. Mr. M L Shinde	Member (w.e.f. 10 th May, 2016)	1	1

6.2 Terms of reference:

- To frame the CSR Policy 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 & regulations governing the CSR and to periodically report to the Board of Directors.

7. 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 behavior. To ensure fraud-free work and ethical environment, the Company has laid down a Vigil Mechanism, by which the Company provides a platform to all the employees, vendors and customers to report any suspected or confirmed incident of fraud, misconduct, unethical behavior, 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. GokulShirgaon, Kolhapur – 416234.

The mechanism also provides for adequate safeguards against victimization of employees who avail of 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 <http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/55681f95e4b0f3550bf6e656/1432887189523/Whistle+Blower+Policy.pdf>

7.1 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 employees, vendors and customers on reporting any suspicious activity and handling critical information and evidence.
- To provide healthy and fraud-free work culture.

7.2 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.

Audit Committee reports to the Board of Directors.

8. 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.

Name of the Members	Status
Mrs. Nazura Ajaney	Chairperson
Ms. Neha Harolikar	Member
Mr. Jayawant Jadhav	Member
Mr. Sachin Patil	Member

9. GENERAL BODY MEETINGS

9.1 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
2015-16	21 st July, 2016	Residency Club, P.O. New Palace, Kolhapur - 416003	10.00 a.m.
2014-15	14 th July, 2015		11.00 a.m.
2013-14	23 rd July, 2014		11.00 a.m.

9.2 Details of Special Resolutions Passed in last three Annual General Meetings:

Date of AGM	Description of Resolution
21 st July, 2016	<ol style="list-style-type: none"> To approve the remuneration payable to Mr. Nitin Menon, Joint Managing Director of the Company for period of two years from 1st April, 2016 to 31st March, 2018. To approve the remuneration payable to Mr. R D Dixit, Vice Chairman & Managing Director of the Company for period of two years from 1st April, 2016 to 31st March, 2018. To approve the continuation of material transactions with the related parties.
14 th July, 2015	No special resolution was passed
23 rd July, 2014	<ol style="list-style-type: none"> Entering into contract for purchase / sale of goods and providing services with related parties. To adopt new set of article of association of the Company. To authorize Board of Directors of the Company to mortgage and to create charge on properties of the Company for securing any loan obtained from any banks or financial institutions.

9.3 Postal Ballot

During the financial year 2016-17, the Company conducted Postal Ballot process only once for Issue of Bonus Shares by way of capitalization of reserves.

The voting pattern and procedure for Postal Ballot, adopted in the above consisted of:

- The Board of Directors of the Company, at its meeting held on 14th July, 2016, had appointed CS Manish L. Ghia, Partner, M/s. Manish Ghia & Associates, Company Secretaries, Mumbai as the Scrutinizer for conducting the postal ballot voting process.
- The Company had completed the dispatch of the Postal Ballot Notice dated 14th July, 2016 together with the Statement on 18th July, 2016, along with forms and business reply envelopes to all the shareholders whose name(s) appeared on the Register of Members/list of beneficiaries as on 8th July, 2016.

- The voting under the postal Ballot (both physically and through electronic mode) was kept open from 18th July, 2016 to 16th August, 2016
- The postal ballot forms were kept under his safe custody in sealed and tamper proof ballot boxes before commencing the scrutiny of such postal ballot forms.
- All postal ballot forms received upto 5.00 p.m. on 16th August, 2016, being the last date and time fixed by the Company for receipt of the forms, had been considered for his scrutiny.
- Envelopes containing postal ballot forms received after close of working hours on 16th August, 2016 had not been considered for his scrutiny.
- On 18th August, 2016, Mr. Ram Menon, Chairman of the Company, announced the results of the postal ballot as per the Scrutinizer's Report:

Voting Pattern:-

Particulars	Special Resolution for Issue of Bonus Shares in the proportion of 1 (one) Equity Share for every 5 (Five) Equity Shares held by the member of Re. 1/- each through capitalization of free reserves.					
	Counts		Votes		Valid votes casted	
Voting pattern	Total received	Valid	Total	Valid	In favour	Against
Ballot Form	295	252	3,28,87,628	3,28,31,947	3,28,31,947	0
E-voting	57	57	24,28,528	24,28,528	24,28,528	0
Total	352	309	3,53,16,156	3,52,60,475	3,52,60,475 (100.00%)	0 (0.00%)

The aforesaid resolution was passed unanimously.

10. DISCLOSURES**10.1 Related Party Transactions:**

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, 2017 that may have potential conflict with the interest of the Company at large. The transactions with the related parties, as per the requirements of the Accounting Standard (AS) 18, are disclosed in the Notes to Accounts, forming part of the Annual Report. The policy on dealing with Related Party Transactions is available on Company's website at <http://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/56f8c9391bbee011fb4f9f08/1459145073393/Related+Party+Transaction+Policy.pdf>

10.2 Compliance by the Company:

The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital market during the last three years. The Company has complied with all the mandatory requirements of the Listing Regulations.

10.3 Disclosure of accounting treatment:

In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India to the extent applicable.

10.4 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.

10.5 Subsidiary Companies:

During the year under review, Flyga Auto Private Limited was incorporated as Wholly-owned Subsidiary of the Company on 30th September, 2016 and later on ceased to be subsidiary of the Company w.e.f. 22nd March, 2017. As on 31st March, 2017, the Company does not have any Subsidiary, Associate or Joint Venture Companies.

However, the company has adopted a policy on determining material subsidiaries and is available on the website of the Company

<https://static1.squarespace.com/static/54df3692e4b0d9caed7742ae/t/5821c5fd59cc688d3e330ebd/1478608530527/Policy+on+Determining+Material+Subsidiaries.pdf>

10.6 CEO / CFO Certification:

As required under Regulation 17(8) of the Listing Regulations, a certificate from Mr. R. D. Dixit, Chairman & Managing Director and Mr. Arun Aradhya, Vice President - Finance & Corporate and 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.

10.7 Review of Directors' Responsibility Statement:

The Board in its report has confirmed that the annual accounts for the year ended 31st March, 2017 have been prepared as per applicable Accounting Standards and policies and that sufficient care has been taken for maintaining adequate accounting records.

10.8 Details of Compliance with discretionary Requirements under Regulation 27 read with Schedule II Part E of the Listing Regulations:

The Company has complied with all mandatory requirements under Regulation 27 of the Listing Regulations. The Company has also complied with the requirements of Part C (Corporate Governance Report) of sub-paras(2) to (10) of Schedule V of the Listing Regulations.

The Company has complied with Corporate Governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this report.

The status of compliance with non-mandatory recommendations under Regulation 27 of the Listing Regulations is provided below:

- Shareholders' Rights: As the quarterly and half yearly financial performance are published in the news papers and are also posted on the Company's website, the same are not being sent to the shareholders.
- Modified opinion in Audit Report: The Company's financial statement for the year ended on 31st March, 2017 does not contain any modified opinion.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

11. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. The results are widely published in Business Standard and other local language newspaper like Pudhari & Lokmat (Marathi). The results are simultaneously posted on the website of the Company at www.menonbearings.in and also uploaded on the website of the BSE Ltd. and National Stock Exchange of India Ltd.

The official press releases and presentation made to Institutional Investors / Analysts, if any, are also available on the Company's website.

12. GENERAL SHAREHOLDERS' INFORMATION:

12.1 Annual General Meeting:

Day & Date : Thursday, 29th June, 2017
 Time : 10.00 a.m.
 Venue : The Residency Club, P.O. New Palace, Kolhapur-416003

12.2 Financial Calendar:

The Company follows the period of 1st April to 31st March, as the Financial Year.

First quarterly results	: by 14 th August, 2017
Second quarterly / Half yearly results	: by 14 th November, 2017
Third quarterly results	: by 14 th February, 2018
Annual results for the year ending on 31 st March, 2018	: by 30 th May, 2018
Annual General Meeting for the year ending on 31 st March, 2018	: by 14 th August, 2018

12.3 Book Closure:

The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 23rd June, 2017 till Thursday, 29th June, 2017 till (both days inclusive).

12.4 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 Thursday, 22nd June, 2017.

12.5 Dividend History:

Financial Year	Dividend amount per share	Percentage
2009-10	Rs. 1.25 per share (Face value Rs. 5/-)	25%
2010-11	Rs. 2.25 per share (Face value Rs. 5/-)	45%
2011-12	Rs. 2.75 per share (Face value Rs. 5/-)	55%
2012-13	Rs. 2.00 per share (Face value Rs. 5/-)	40%
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%

12.6 Unclaimed Dividend:

As per the provisions of Section 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, any dividend remaining unpaid / unclaimed for a period of seven years from the date it becomes due for payment, needs to be transferred to the Investor Education & Protection Fund (IEPF) administered by the Central Government. The unpaid/ unclaimed dividends upto the financial years 2008-09 have been transferred to the said fund. The members who have not claimed their dividend for the financial year 2009-10 and subsequent years may write to the Company immediately.

The details of due date for transfer of unpaid/unclaimed dividend is as follows:

Year	Dividend Rate per share	Date of Declaration	Due Dates for transfer to IEPF
2009-10	Rs. 1.25	20 th August, 2010	27 th September, 2017
2010-11	Rs. 2.25	30 th August, 2011	7 th October, 2018
2011-12	Rs. 2.75	16 th August, 2012	22 nd September, 2019
2012-13	Rs. 2.00	21 st August, 2013	27 th September, 2020
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	16 th March, 2024

As per the provisions of Section 124 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to the DEMAT account of the IEPF Authority. The shareholders are requested to claim the unclaimed dividend immediately in order to avoid the transfer of shares to the Authority.

12.7 Listing of Shares:

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

Name of the Stock Exchanges

Scrip Code / Symbol

BSE Ltd.

PhirozeJeejeebhoy 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 Code for the Company's equity share :

From 11th April, 2015 – INE071D01033 (having face value of Re. 1/-)

c. Corporate Identity Number (CIN) : L29130PN1991PLC062352

d. The Company has paid listing fees up to 31st March, 2017 to BSE Ltd. and National Stock Exchange of India Ltd. (NSE) where Company's shares are listed.

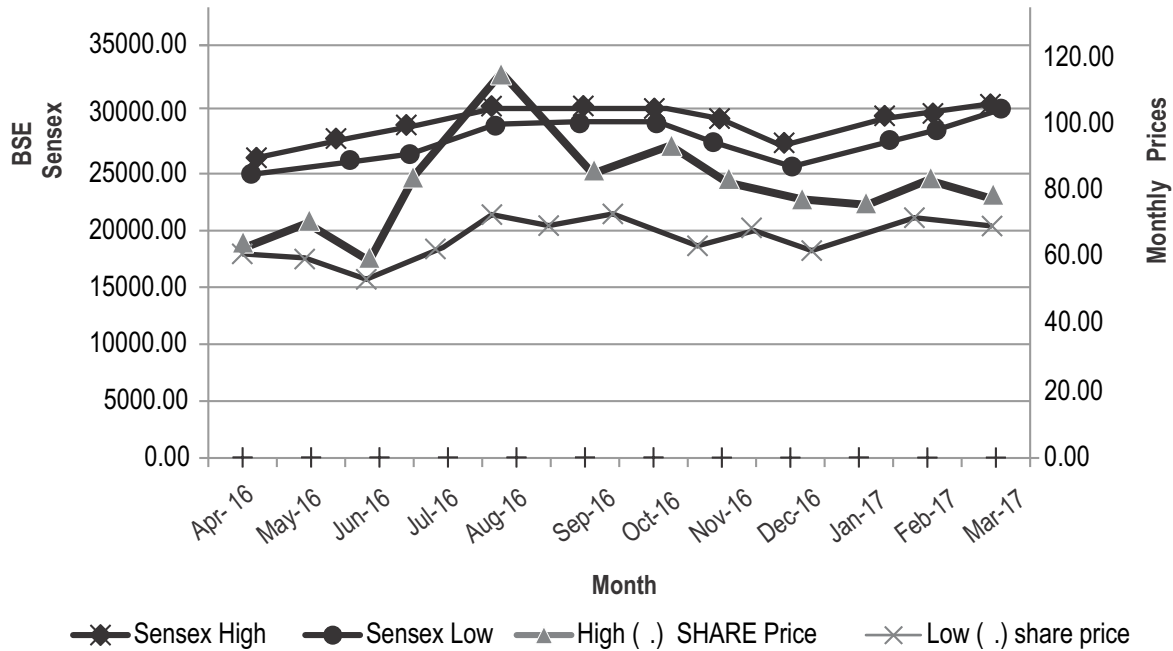
12.8 Market Price Data:

The high / low market price of the shares during the financial year 2016 -17 at the BSE Ltd. and at National Stock Exchange of India Ltd. were as under:-

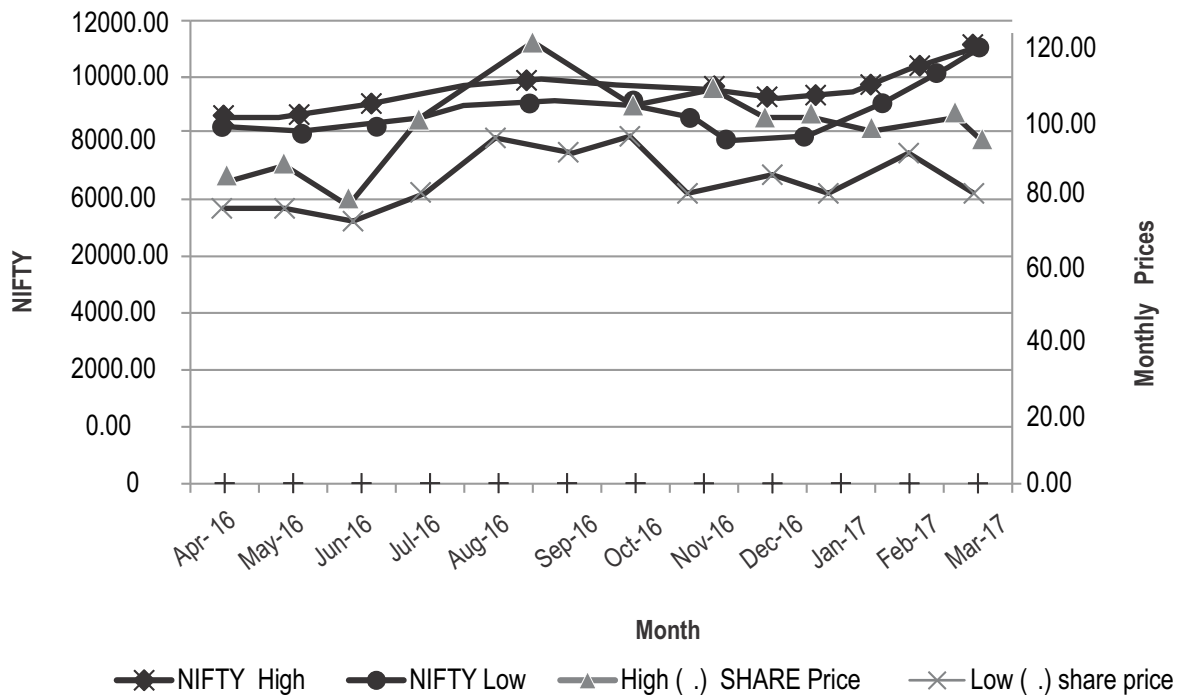
Month-Year	NSE NIFTY 50		Menon Bearings Ltd		BSE Sensex		Menon Bearings Ltd	
	High (Points)	Low (Points)	High (Rs.)	Low (Rs.)	High (Points)	Low (Points)	High (Rs.)	Low (Rs.)
Apr-16	7992.00	7516.85	65.50	59.05	26100.54	24523.20	64.85	60.00
May-16	8213.60	7678.35	71.70	59.05	26837.20	25057.93	71.50	61.00
Jun-16	8308.15	7927.05	64.30	55.00	27105.41	25911.33	64.50	55.65
Jul-16	8674.70	8287.55	89.90	61.55	28240.20	27034.14	89.60	62.00
Aug-16	8819.20	8518.15	110.00	76.10	28532.25	27627.97	110.00	75.60
Sep-16	8968.70	8555.20	86.40	71.00	29077.28	27716.78	86.10	71.20
Oct-16	8806.95	8506.15	91.00	74.60	28477.65	27488.30	90.05	74.80
Nov-16	8669.60	7916.40	83.00	62.10	28029.80	25717.93	82.80	62.50
Dec-16	8274.95	7893.80	80.80	66.95	26803.76	25753.74	81.45	68.05
Jan-17	8672.70	8133.80	77.80	60.80	27980.39	26447.06	76.85	60.00
Feb-17	8982.15	8537.50	79.75	70.55	29065.31	27590.10	80.55	70.55
Mar-17	9218.40	8860.10	77.00	66.00	29824.62	28716.21	76.05	68.45

12.9 Performance in comparison to broad based indices:

High - Low Share Prices



High - Low Share Prices



12.10 Share Transfer Agents:**LINK INTIME INDIA PRIVATE LIMITED**

C-101, 247 Park, Vikhroli (West) Mumbai – 400 083

Phone : (022) 49186000, 49186270 Fax : (022) 49186060, Email : rnt.helpdesk@linkintime.co.in

12.11 Share Transfer System:

All shares sent for transfer in physical form are registered by the Company's Registrar and Share Transfer Agents within prescribed time if documents are found in order. All requests for dematerialization of shares are promptly processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

12.12 Reconciliation of Share Capital Audit:

As stipulated by Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out 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 these audits.

12.13 Distribution of Shareholding:

The shareholding distribution of the equity shares as on 31st March, 2017 is given below:

Shareholding by nominal value	No. of Shareholders	% of Total	Share Amount (Rs.)	% of Total
1 – 500	4,666	47.54	6,62,670	1.18
501-1000	762	7.76	5,46,806	0.98
1001-2000	2,783	28.36	34,52,570	6.16
2001-3000	785	8.00	19,08,060	3.40
3001-4000	213	2.17	7,63,239	1.36
4001-5000	119	1.22	5,62,775	1.01
5001-10000	316	3.22	20,44,007	3.65
10001 & Above	170	1.73	4,60,99,873	82.26
Total	9,814	100.00	5,60,40,000	100.00

12.14 Shareholding Pattern as on 31st March, 2017:

Sr. No.	Category	Total No. of Shares held (of Re. 1/- each)	% of Total Shareholdings
1.	Clearing Members	70,619	0.13
2.	Corporate Bodies (Promoter Co)	1,36,12,800	24.29
3.	Directors	1,73,79,180	31.01
4.	Financial Institutions	1,156	0.00
5.	Hindu Undivided Family	3,25,794	0.58
6.	Non Nationalised Bank	1,416	0.00
7.	Non Resident (Non Repatriable)	2,35,739	0.42
8.	Non Resident Indians	1,29,386	0.23
9.	Other Bodies Corporate	3,29,920	0.59
10.	Public	1,31,00,770	23.38
11.	Relatives of Director	1,08,53,220	19.37
	Total	5,60,40,000	100.00

12.15 Dematerialization of Shares:

As on 31st March, 2017 about 91.08% of the Company's Equity Shares has been held in dematerialized form with NSDL & CDSL.

12.16 Convertible Instruments:

The Company has not issued any ADRs/GDRs/Warrants or any convertible instruments during financial year ended 31st March, 2017.

12.16 Plant Locations:

G-1, MIDC, Gokul Shirgaon Kolhapur - 416234 Maharashtra	C-1 Five Star MIDC, Kagal, Kolhapur – 416236 Maharashtra
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12.17 Registered Office:

G-1, MIDC, GokulShirgaon, Kolhapur, Maharashtra – 416234

12.18 Address for correspondence:

For any assistance regarding dematerialization 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 (address mentioned above) or please write to:

The Compliance Officer**Menon Bearings Limited**

G-1, MIDC, GokulShirgaon Kolhapur - 416234
Tel: 0231-2672 279/533/487, Fax: 0231-2672 278
Email: admin@menonbearings.in

12.19 Auditors' Certificate on Corporate Governance:

The Auditors' Certificate on compliance of conditions of Corporate Governance requirements as per the Listing Regulations, is published as an Annexure to the Directors' Report.

DECLARATION REGARDING COMPLIANCE OF CODE OF CONDUCT

I, Nitin Menon, Joint 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 2016-17.

Place: Kolhapur
Date: 27th April, 2017

NITIN MENON
Vice Chairman & Joint Managing Director
DIN: 00692754

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, 2017, 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.

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 P. M. VARDHE & CO.
Chartered Accountants

P. M. Vardhe
Proprietor
Membership No : 031817
FRN : 111274W

Place : Kolhapur
Date : 27th April, 2017

Independent Auditor's Report

**TO
THE MEMBERS OF
MENON BEARINGS LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of MENON BEARINGS LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 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 financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit 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 financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2017;
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of Section 143 (3) of the Companies Act, 2013 and on the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 and proper returns adequate for the purposes of our audit have been received from the branches not visited by us.
- c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt by us in preparing this report.
- d) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and the returns received from the branches not visited by us.
- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- f) On the basis of written representations received from the directors as on 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A"
- h) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rule, 2014, in our opinion and to best of our information and according to the explanations given to us :
- i.) The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivatives contracts of which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosure in its financial statements as to holding as well as dealing in specified Bank Notes during period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 27 (h) of notes on accounts.

For M/S P. M. VARDHE & CO.
Chartered Accountants

P. M. Vardhe
Proprietor
Membership No : 031817
FRN : 111274W

Place : Kolhapur
Date : 27th April, 2017

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, 2017

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUBSECTION 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 31st March, 2017 in conjunction with our audit of the standalone 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 internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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.

AUDITORS' 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 and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgments, 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 :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) 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 payments of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For M/S P. M. VARDHE & CO.
Chartered Accountants

Place : Kolhapur
Date : 27th April, 2017

P. M. Vardhe
Proprietor
Membership No : 031817
FRN : 111274W

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, 2017.

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) As explained to us, these fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The title deeds of immovable properties are held in the name of 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, 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, duty of customs, duty of excise, value added tax 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 or sales tax or service tax or duty of customs or duty of excise or value added tax 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, 1934.

For M/S P. M. VARDHE & CO.
Chartered Accountants

P. M. Vardhe
Proprietor
Membership No : 031817
FRN : 111274W

Place : Kolhapur
Date : 27th April, 2017

Balance Sheet

as at 31st March, 2017

(Rs. in Lakhs)

PARTICULARS	NOTE NO.	As on 31.03.2017	As on 31.03.2016
I. EQUITY AND LIABILITIES			
1. SHAREHOLDER'S FUNDS			
		6,415.79	5,193.95
(a) Share Capital	2	560.40	467.00
(b) Reserves and Surplus	3	5,855.39	4,726.95
(c) Money received against share warrants		-	-
2. Share application money pending			
3. Non- Current Liabilities			
		718.61	601.65
(a) Long-Term Borrowings	4	369.80	203.73
(b) Deferred Tax liabilities (Net)	5	348.81	397.92
(c) Other Long Term Liabilities		-	-
(d) Long-Term Provisions		-	-
4. Current Liabilities			
		3,119.61	2,194.15
(a) Short Term Borrowings	6	1,774.64	1,030.57
(b) Trade Payables	7	814.28	658.16
(c) Other Current Liabilities	8	110.19	101.33
(d) Short Term Provisions	9	420.50	404.09
TOTAL		10,254.01	7,989.75
II. ASSETS			
1. Non-Current Assets			
		4,137.47	3,640.06
(a) Fixed Assets	10		
(i) Tangible Assets		3,700.03	3,489.79
(ii) Intangible Assets		16.70	15.09
(iii) Capital Work-In-Progress		350.21	64.68
(iv) Intangible Assets Under Development		-	-
(b) Non-Current Investments	11	-	-
(c) Deferred Tax Assets (Net)		-	-
(d) Long-Term Loans And Advances	12	70.53	70.50
(e) Other Non-Current Assets	13	-	-
2. Current Assets			
		6,116.54	4,349.69
(a) Current Investments		-	-
(b) Inventories	14	1,236.75	1,143.76
(c) Trade Receivables	15	2,923.93	2,501.36
(d) Cash and Cash Equivalents	16	1,694.37	537.03
(e) Short-Term Loans And Advances	17	261.49	167.54
(f) Other Current Assets		-	-
TOTAL		10,254.01	7,989.75
Significant accounting policies and notes to accounts	1 to 25		

As per our report of even date attached
For M/s.P.M.Vardhe & Co.
Chartered Accountants

P.M.VARDHE
Proprietor
Membership No.:031817

Place : Kolhapur
Date : 27th April, 2017

For and on behalf of the Board of Directors

R D DIXIT
Chairman & Managing Director

NITIN MENON
Vice Chairman Joint Managing Director

ARUN ARADHYE
CFO

ANUP PADMAI
Company Secretary

Statement of Profit & Loss

for the year ended on 31st March, 2017
(Rs. in Lakhs)

PARTICULARS	NOTE NO.	For the Year Ended on 31.03.2017	For the Year Ended on 31.03.2016
I Total Revenue (i+ii+iii)		12,422.18	11,191.14
Revenue from Operations	18	13,258.03	12,077.87
Less - Excise Duty		<u>978.68</u>	<u>992.85</u>
i) Net - Revenue from Operations		12,279.35	11,085.02
ii) Other Operating Revenue	19	83.79	53.46
iii) Other Income	20	59.04	52.66
II Expenses		9,654.29	8,858.27
Cost of Materials Consumed	21	4,213.64	3,926.52
Changes in Inventories of Finished Goods, Work in Progress and Stock in Trades	22	24.59	(147.01)
Employee Benefits Expenses	23	1,052.11	977.86
Finance Costs	24	117.34	163.19
Depreciation and Amortization Expense	10	512.56	456.53
Operating and Other Expenses	25	3,734.05	3,481.18
III Profit Before Exceptional and Extraordinary Items and Tax (I-II)		2,767.89	2,332.87
IV Exceptional Items		-	-
V Profit Before Extraordinary Items and Tax (III-IV)		2,767.89	2,332.87
VI Extraordinary Items		-	-
VII Profit Before Tax (V-VI)		2,767.89	2,332.87
VIII Tax expense:		844.04	843.81
(1) Current Tax		893.15	808.98
(2) Deferred Tax		(49.11)	34.83
IX Profit/(Loss) for the period from continuing operations (VII-VIII)		1,923.85	1,489.06
X Profit/(Loss) for the period from discontinuing operations		-	-
XI Tax expense of discontinuing operations		-	-
XII Profit/(Loss) from discontinuing operations (after tax) (X-XI)		-	-
XIII Profit/(Loss) for the period (IX + XII)		1,923.85	1,489.06
XIV Earnings per Equity Share:			
(1) Basic		3.43	3.19
(2) Diluted		-	-
See accompanying Notes on Accounts			

As per our report of even date attached
For M/s. P.M.Vardhe & Co.
Chartered Accountants

P.M.VARDHE
Proprietor
Membership No.:031817
Place : Kolhapur
Date : 27th April, 2017

For and on behalf of the Board of Directors

R. D. DIXIT
Chairman & Managing Director

ARUN ARADHYE
CFO

NITIN MENON
Vice Chairman & Joint Managing Director

ANUP PADMAI
Company Secretary

Cash Flow Statement

for the year ended on 31st March, 2017

(Rs. in Lakhs)

PARTICULARS	For the Year Ended on 31.03.2017	For the Year Ended on 31.03.2016
1 Profit After Tax & Adjustments for	1,923.85	1,489.06
Proposed Dividend	(560.40)	(467.00)
Tax on Dividend	(114.08)	(107.63)
Deferred Tax	(49.11)	34.83
Extra Ordinary Items	-	(17.65)
(Excess Provision w/o and Loss on sale of asset)		
Add:- Depreciation & Amortization	512.57	456.53
Operating Profit before W/C Changes	1,712.83	1,388.14
Changes in Working Capital		
Current Assets	(93.00)	(167.77)
Inventories	(422.57)	(444.49)
Trade Receivables	(93.95)	41.11
Short Term Loans Advances	-	-
Other Non Current Assets		
Current Liabilities	156.12	22.76
Trade Payables	8.86	49.84
Other Current Liabilities	16.41	(413.75)
Short Term Provisions		
Cash From Operating Activities	1,284.70	475.84
2 Cash From Investing Activities		
Purchase of Fixed Assets	(751.96)	(389.39)
Change in CWIP	(285.52)	(23.69)
Investments	-	5.89
Long Term Loans and Advances	(0.03)	(1.09)
Cash From Investing Activities	(1,037.51)	(408.28)
3 Cash Flow from Financing Activities		
Change in Short Term Borrowing	744.07	(256.80)
Change in Long Term Borrowing	166.07	(173.95)
Cash Flow from Financing Activities	910.14	(430.75)
Total Cash Flow	1,157.33	(363.19)
Add:- Opening Cash & Cash Equivalents	537.03	900.22
Closing Cash & Cash Equivalents	1,694.36	537.03

As per our report of even date attached
For M/s. P.M.Vardhe & Co.
Chartered Accountants

For and on behalf of the Board of Directors

P.M.VARDHE
Proprietor
Membership No.:031817

R. D. DIXIT
Chairman & Managing Director

NITIN MENON
Vice Chairman & Joint Managing Director

Place : Kolhapur
Date : 27th April, 2017

ARUN ARADHYE
CFO

ANUP PADMAI
Company Secretary

Notes on Accounts

for the year on 31st March, 2017

Note No. 1

SIGNIFICANT ACCOUNTING POLICIES

1.1 Basis of Accounting:

Accounts of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention. Company has complied with Accounting Standards as recommended by Institute of Chartered Accountants of India, provisions of Companies Act, 2013 and guidelines issued by Securities and Exchange Board of India.

The Company has prepared the financial statements as per the format prescribed under the Schedule III of the Companies Act, 2013.

1.2 Fixed Assets:

- (i) Fixed assets except leasehold land are stated at cost (net of Cenvat and MVAT wherever applicable) of acquisition, less accumulated depreciation after retaining the specified residual value as per Schedule II of the Companies Act, 2013. Cost includes all costs incurred for bringing the assets to its working condition for intended use.
- (ii) The cost of leasehold land is amortised over the period of lease. Intangible assets include Computer Software, which is recorded at cost of acquisition.

1.3 Impairment of Fixed Assets:

The company has reviewed the carrying costs of fixed assets and does not expect any loss on account of impairment.

1.4 Depreciation:

Depreciation is charged on all the assets based on useful life as per part c of schedule II of the Companies Act 2013 on straight line basis.

1.5 Investment:

Investments are stated at cost and income thereon is credited to revenue on accrual basis.

1.6 Inventories:

Inventories are valued at cost or market price whichever is lower. The Company has valued closing stock exclusive of excise duty as per the new guidelines.

1.7 Foreign Exchange Transactions:

Foreign Currency transactions are accounted at the exchange rates ruling on the date of the transactions. At the year end all monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rate. Exchange differences arising out of actual payments/realizations and from the year-end restatement referred to above are dealt with in the Profit & Loss Account.

1.8 Contingent Liabilities & Provisions:

Contingent liabilities are disclosed after careful evaluation of facts and legal aspects of the matter involved. Provisions are recognized when the company has a legal obligation and on management discretion as a result of past events for which it is probable that cash outflow may be required and reliable estimate can be made of the amount of obligation.

1.9 Sales:

Sales are recognised on dispatches to customers. Sales exclude Excise Duties, VAT and CST.

1.10 Retirement Benefits:

The Company has created The Employees Group Gratuity Fund, which has taken Gratuity Cum Life Insurance Corporation of India. Base for gratuity is the premium paid on the above policy. Provision for leave encashment is made on the basis of Actuarial Valuation. Company's contribution to Provident Fund has been charged to Profit and Loss Account.

Disclosure pursuant to Accounting Standard 15 (Revised) "Employee Benefits"		
	Valuation Method (Projected Unit Credit Method)	Amount Rs.
1	RESULTS OF VALUATION	
	a. PV of Past Service Benefit	2,11,12,764
	b. Current Service Costs	14,84,539
	c. Total Service Gratuity	5,78,99,072
	d. Accrued Gratuity	2,44,87,959
	e. LC SA	3,25,14,600
	f. LC Premium	84,682
	g. Service Tax @ 12.36 %	12,703
2	RECOMMENDED CONTRIBUTION RATE	
	a. Fund value as on Renewal Date	2,27,99,856
	b. Additional Contribution for existing fund	14,449
	c. Current Service Costs	2,49,165
3	Total Amount payable (Rs.) (1.f +1.g+2.b+2.c)	3,60,999
4	Less: Amount Paid	6,50,000
5	Liability appearing in Balance Sheet	-2,89,001

1.11 Disclosure of Borrowing Cost Capitalised under Accounting Standard 16:

During the year Company has capitalised certain assets. Appropriate borrowing cost directly related to asset has been capitalized to respective assets including Capital Work in Process as required under AS 16.

1.12 Segment Reporting Under Accounting Standard 17:

The company operates in one business segment namely "Auto Components" Hence reporting under this standards is not applicable to the company

1.13 Related Party Disclosures As Per Accounting Standard 18:

Following are the related parties as per Accounting Standard 18:-

(Amount in Rs.)

Sr. No.	Name of Party	Relation	Nature of Transaction	Current Year 31.03.2017 Amount	Previous Year 31.03.2016 Amount
1.	MB Exports	Shri Nitin Menon is a partner	Sale	12,87,97,408	10,71,12,961
			Commission Paid	98,20,531	74,80,090
2.	Mani Auto Components	Shri Nitin Menon is a partner	Sale	15,66,19,901	10,81,51,138
			Machining Charges	1,26,84,459	2,02,59,090
			Rent Paid	18,00,000	18,00,000
3.	Menon United Pvt. Ltd. (Formerly Karveer United Pvt. Ltd.)	Shri Nitin Menon is a Chairman	Corporate Services	28,97,650	29,01,673
			Vehicle Sale	-	14,00,000
4.	Shri Ram Menon	Emeritus Chairman	Sitting Fees	4,000	5,000
5.	Shri R. D. Dixit	Chairman & Managing Director	Salary	58,51,935	52,20,182
6.	Shri Nitin Menon	Vice Chairman & Joint Managing Director	Salary	81,30,723	81,30,723
7.	Shri Sachin Menon	Director	Sitting Fees	6,000	4,000
8.	Shri M. L. Shinde	Independent Director	Sitting Fees	5,000	1,000
9.	Shri B.S. Ajitkumar	Independent Director	Sitting Fees	4,000	4,000
10.	Capt .Sudheer Naphade	Independent Director	Sitting Fees	5,000	5,000
11.	Mrs .Nazura Ajaney	Independent Director	Sitting Fees	5,000	5,000

Notes

a. Shri R. D. Dixit –Chairman & Managing Director and Shri Nitin Menon – Vice chairman & Joint Managing Director are employees of the Company. Shri M. L. Shinde, Shri B. S. Ajitkumar, Capt. Sudheer Naphade and Mrs. Nazura Ajaney 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. 4.4 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 Pistons Ltd.
2. Menon Signature Pvt. Ltd. (Formerly Karveer Leisure Pvt. Ltd.)

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

1.14 Lease Accounting As Per Accounting Standard 19:

Not applicable to the company since no new lease transaction took place during the year, which is covered under the preview of AS-19.

1.15 Earning Per Share:

The Basic Earnings Per Share for the year 2016-17 is Rs. 3.43 (Previous year Rs. 3.19). The Diluted Earnings Per Share is not applicable as the Company has not issued any Preference Shares / security / warrant / debentures which are convertible into equity shares in future.

1.16 Accounting for Taxes on Income:

Deferred taxes on income are computed as per accounting standard 22 and same are provided in the audited accounts at appropriate places.

(Rs.in Lakhs)

PARTICULARS	As on 31.03.2017	As on 31.03.2016
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I. SHAREHOLDER'S FUND**Note No.2****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
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Issued, Subscribed and Paid up :

5,60,40,000 Equity Shares of Re.1 each fully paid (Previous year 4,67,00,000 Equity Shares of Re.1 each fully paid)	560.40	467.00
TOTAL	560.40	467.00

Notes:

01) There is addition of Rs.93,40,000 to Share Capital during the year due to issue of Bonus Shares in the ratio of 1:5 made on 02/09/2016.

02) 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.

03) 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	31.03.2017		31.03.2016	
	%	No. of Shares	%	No. of Shares
Nitin Menon	30.37	1,70,16,780	30.37	1,41,80,650
Menon United Pvt. Ltd. (Formerly Karveer United Pvt. Ltd.	24.29	1,36,12,800	24.29	1,13,44,000
Sucheta Nitin Menon	9.00	50,44,812	9.00	42,04,010
Aditya Nitin Menon	5.09	28,51,968	5.09	23,76,640
Anshul Nitin Menon	5.09	28,50,840	5.09	23,75,700

Note No.3**Reserves and Surplus**

General Reserve	726.47	651.47
Add : Current Year	75.00	75.00
Sub-Total	801.47	726.47
Capital Reserve	25.00	25.00
Revaluation Reserve	2.56	30.09
Profit & Loss Account	5,026.36	3,945.39
TOTAL	5,855.39	4,726.95

Note :

Surplus		
Opening Balance	3,945.39	3,123.61
Less.- Short Provision of tax on dividend	-	12.56
Less – Proposed C. S. R. amount	-	17.65
Add.Net Profit for the current period	1,923.85	1,489.06
Profit Available for appropriation	5,869.24	4,582.46
Less: Bonus Shares Issued	93.40	-
Less: Dividend paid on equity shares	560.40	467.00
Less: Tax on distributed profits on Equity Shares	114.08	95.07
Less: Transfer to General Reserve	75.00	75.00
Balance carried forward to Balance Sheet	5,026.36	3,945.39

(Rs. in Lakhs)

PARTICULARS	As on 31.03.2017	As on 31.03.2016
II. NON CURRENT LIABILITIES		
Note No.4		
Long Term Borrowings		
Secured Loans		
a) Term Loan from Banks		
AXIS Bank Limited	210.80	-
State Bank of India	-	5.55
b) Car Loans from Banks		
State Bank of India & Axis Bank	-	24.63
Axis Bank	22.09	-
Sub-Total	232.89	30.18
c) Unsecured Loans	136.91	173.55
Sales Tax Deferral Loan		
Sub-Total	136.91	173.55
TOTAL	369.80	203.73

Note :

Sr. No.	Bank Name	Loan Amt. (in Lakhs)	Installment Amt. (in Lakhs)	No. of Instaliments
1	Axis Bank Ltd. Term Loan	1,000.00	16.67	60
2	Axis Bank Ltd. Car Loan (Creta)	15.40	0.29	54
3	Axis Bank Ltd. Car Loan (Jetta)	20.22	0.65	24
4	Axis Bank Ltd. - Car Loan (Honda City -1)	10.22	0.33	27
5	Axis Bank Ltd. Car Loan (Honda City-2)	9.83	0.31	23

- a. The company has availed term loan of Rs.10.00 Crores from Axis Bank Ltd, out of which Rs.3.25 Crores has been disbursed. There is an moratorium period of 6 months upto 30/09/2017 for the loan. The principal installment for the loan is Rs.16.67 lakhs per month. The loan is secured by first charge over entire movable and immovable fixed assets, both present and future, of the company situated at G-1, MIDC Gokul Shirgaon, Kolhapur. It is also colaterally secured by entire movable and immovable fixed assets, both present and future, of the company situated at G-1, MIDC Gokul Shirgaon, Kolhapur and C-1, Kagal Five Star MIDC, Hatkanangale. It is also secured by personal guarantee of Mr. Nitin Menon.
- b. The Long Term Borrowing includes Car Loan taken by the Company from the Axis Bank. 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	As on 31.03.2017	As on 31.03.2016
Note No.5		
Deferred Tax Liabilities (Net)		
a) Depreciation Opening	418.15	377.91
Add: During the year	(45.94)	40.24
Closing Liability (a)	372.01	418.15
b) Disallowances as per Section 43B & 40(a) of Income Tax Act Opening	(11.35)	(9.07)
Add: During the year	(1.90)	(2.28)
Closing Asset (b)	(13.25)	(11.35)
c) Others Opening	(8.88)	(5.76)
(Add) :- During the Year	(1.26)	(3.12)
Closing Asset (c)	(10.15)	(8.88)
Deferred Tax Liability (Net) (a-b-c)	348.81	397.92

III. CURRENT LIABILITIES**Note No.6****Short Term Borrowings****Secured Loans****a) AXIS Bank Limited**

Bills Discount Facility	80.62	-
Cash Credit	1,523.90	272.94
Term Loan Due within 1 Year	115.02	-
Vehicle Loan Due Within 1 Year	18.45	-

b) State Bank Of India

Cash Credit & SLOC	-	603.31
Term Loan Due within 1 Year	-	90.00
Vehicle Loan Due within 1 Year	-	10.10

Unsecured Loans

Sales Tax Deferral Loan Due within 1 Year	36.65	54.22
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TOTAL	1,774.64	1,030.57
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Note :

a) The Working Capital facilities from Axis Bank Ltd. (Rajarampuri Branch, 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.7**Trade Payable**

Trade Payable (M.S.M.E) Refer Note 27(d)	26.35	33.15
Trade Payable	787.93	625.01
TOTAL	814.28	658.16

(Rs. in Lakhs)

PARTICULARS	As on 31.03.2017	As on 31.03.2016
Note No.8		
Other Current Liabilities		
Advance From Customers	21.29	-
Unpaid / Unclaimed Dividend	88.90	101.33
TOTAL	110.19	101.33

There are no amounts due and outstanding to be credited to Investor Education and Protection Fund as on 31st March, 2017.

Note No.9		
Short Term Provisions		
Sales Tax Payable - Current Dues	11.44	16.50
Deposit from Customers	24.30	24.40
CSR (Corporate Social Responsibility)	62.02	34.91
Statutory Liabilities	44.27	56.02
Provision for expenses	246.27	246.47
Leave Encashment	32.20	25.79
TOTAL	420.50	404.09

Note No.11		
Non-Current Investment	-	-

Note No.12		
Long Term Loans and Advances		
Telephone Deposit	0.64	0.61
MSEB Deposit	67.22	67.22
Water Deposit	2.67	2.67
TOTAL	70.53	70.50

Note No.13		
Other Non-Current Assets		
Pre-operative Expenses	-	-
Less: Written off during the year	-	-
TOTAL	-	-

Note No.10

FIXED ASSETS

SCHEDULE D - FIXED ASSETS SCHEDULE FOR THE F.Y.2016-17

(Rs. in Lakhs)

SR. NO.	PARTICULARS	YEAR	GROSS BLOCK				DEPRECIATION				NET BLOCK				
			OPENING BALANCE (Rs.)	ADDITIONS (Rs.)	DELETIONS (Rs.)	TOTAL (Rs.)	UPTO (Rs.)	ON OPENING (Rs.)	ON ADDITIONS (Rs.)	FOR THE YEAR (Rs.)	Retained Earnings (Rs.)	ADJUSTMENTS (Rs.)	TOTAL (Rs.)	As on 31.03.2017 (Rs.)	As on 31.03.2016 (Rs.)
	a) Tangible Assets														
1	Land (lease hold)	-	103.14	-	-	103.14	12.25	1.07	-	1.07	-	-	13.32	89.82	90.79
2	Land (free hold)	-	36.76	-	-	36.76	-	-	-	-	-	-	-	36.76	36.77
3	Site Development	-	176.36	-	-	176.36	-	-	-	-	-	-	-	176.36	176.36
4	Building	30.00	1,197.32	77.74	25.75	1,249.31	370.26	33.95	0.22	34.17	2.29	3.21	403.52	845.80	827.07
5	Plant and Machinery	15.00	5,095.82	486.78	-	5,582.59	3,290.20	355.42	15.36	370.78	21.04	-	3,682.02	1,900.57	1,805.62
6	Electrical Installation	10.00	237.54	11.71	-	249.25	165.99	12.78	0.54	13.32	2.71	-	182.03	67.22	71.55
7	Tools and Implements	15.00	452.82	82.50	-	535.32	216.06	28.86	3.48	32.34	0.58	-	248.97	286.35	236.77
8	Material Handling Equip.	15.00	60.67	4.00	-	64.67	34.90	6.37	0.24	6.61	0.42	-	41.93	22.74	25.77
9	Fire Fighting	15.00	15.03	-	-	15.03	3.67	1.80	-	1.80	-	-	5.48	9.56	11.36
10	Effluent Treatment Plant	15.00	89.78	-	-	89.78	43.62	8.75	-	8.75	0.02	-	52.38	37.40	46.16
11	Office Equipments	5.00	44.02	8.29	-	52.31	31.70	3.07	0.76	3.83	0.41	-	35.93	16.37	12.33
12	Miscellaneous Assets	15.00	12.18	4.44	-	16.62	7.88	0.41	0.12	0.53	0.07	-	8.48	8.14	4.30
13	Computers	6.00	65.07	11.03	-	76.10	55.40	3.27	1.75	5.01	-	-	60.42	15.68	9.67
14	Furniture	10.00	98.50	44.01	-	142.50	49.82	7.04	1.91	8.95	-	-	58.77	83.73	48.67
15	Vehicle	8.00	132.59	35.40	15.11	152.87	46.07	14.79	4.95	19.74	-	8.69	57.12	95.75	86.53
16	Electrical Forklift	15.00	-	8.50	-	8.50	-	-	0.72	0.72	-	-	0.72	7.78	-
	TOTAL		7,817.60	774.40	40.86	8,551.11	4,327.82	477.58	30.05	507.62	27.54	11.90	4,851.09	3,700.03	3,489.82
	PREVIOUS YEAR		7,476.50	383.01	41.90	7,817.61	3,918.48	438.71	11.34	450.09	-	40.74	4,327.79	3,489.82	3,558.04

b) Intangible Assets

1	Technical know how	3.00	52.44	-	-	52.45	52.45	-	-	-	-	-	52.45	-	-
2	Computers Software	3.00	45.99	6.55	-	52.55	30.91	4.57	0.37	4.94	-	-	35.85	16.69	15.09
	Total		98.44	6.55	-	104.99	83.35	4.57	0.37	4.94	-	-	88.30	16.69	15.09
	Previous Year		90.88	7.56	-	98.44	76.91	5.21	1.23	6.44	-	-	83.35	15.09	13.97

(Rs. in Lakhs)

PARTICULARS	As on 31.03.2017	As on 31.03.2016
Note No.14		
Inventories (At cost or market rates whichever is less)		
Raw Material	314.12	191.63
Stores & Spares	93.81	98.73
Finished Goods	500.61	588.85
Work in Process	328.21	264.55
TOTAL	1,236.76	1,143.76

Note No.15**Trade Receivables**

(Unsecured, considered good)

Outstanding for a period exceeding 6 months	245.46	101.34
Other Debts	2,678.47	2,400.02
TOTAL	2,923.93	2,501.36

Note :

Includes amount of Rs. 457.81 Lakhs due from MB Exports and Mani Auto Components

Rs. 231.28 Lakhs a firm in which director is a partner.

Note No.16**Cash & Cash Equivalents**

Cash in Hand	1.22	0.91
Balance with Bank	1,693.15	536.12
i) In Current A/c	456.22	123.31
ii) In Fixed Deposits	1,236.93	412.81
TOTAL	1,694.37	537.03

Note :

i. FDs maturing after one year Rs.148.36 Lakhs

ii. FDs held as security against Guarantees Rs.44.35 Lakhs.

Note No.17**Short -Term Loans & Advances**

Other Advance	12.80	14.04
Staff advance	6.94	-
Interest accrued but not received	22.07	12.96
Other Deposits	39.66	8.56
Prepaid expenses	24.58	15.04
Advance Income Tax	76.89	77.56
Advance to Suppliers	7.53	8.58
Excise Duty	55.61	19.03
Service Tax	12.52	11.64
Advance Group Gratuity Contribution	2.89	0.13
TOTAL	261.49	167.54

(Rs. in Lakhs)

PARTICULARS	Current Year Ended on 31.03.2017	Previous Year Ended on 31.03.2016
Note No.18		
Sales		
Auto & Aluminium Die Casting Components	12,171.71	10,970.02
Scrap Sale	107.64	114.99
TOTAL	12,279.35	11,085.02
Note No.19		
Other Operating Revenue		
Exchange Difference	-	23.66
Sale of DEPB License	-	2.89
Duty Drawback Refund	3.08	2.81
Excess Provision Written off	-	-
Income from other Source	24.69	7.89
Other Income	25.96	1.96
Profit on Sale of Fixed Asset	30.06	14.25
TOTAL	83.79	53.46
Note No.20		
Other Income		
Income from Non-Current Investments		
Interest Received	59.04	52.66
TOTAL	59.04	52.66
Note No.21		
Cost of Raw Materials Consumed		
Opening Stock	191.63	185.56
Add : Purchases	4,336.13	3,932.59
Sub - Total	4,527.76	4,118.15
Less : Closing Stock	314.12	191.63
TOTAL	4,213.64	3,926.52
Note No.22		
Changes in stock of Finished Goods and Work-in-Process		
Opening Stock		
Finished Goods	588.85	435.12
Work in Process	264.56	271.28
Sub-Total	853.41	706.40
Closing Stock :		
Finished Goods	500.61	588.85
Work in Process	328.21	264.56
Sub-Total	828.82	853.41
Increase / (Decrease) in Stock	24.59	(147.01)

(Rs. in Lakhs)

PARTICULARS	Current Year Ended on 31.03.2017	Previous Year Ended on 31.03.2016
Note No.23		
Employee Benefits Expenses		
Directors Remuneration	139.83	133.51
Salary and Wages	818.70	760.38
Labour Welfare	13.21	8.35
Contribution to Provident Fund	56.76	52.39
Contribution to Group Gratuity Trust	23.61	23.23
TOTAL	1,052.10	977.86
Note No.24		
Finance Costs		
Interest	57.62	106.70
Bank Commission & Other Charges	59.72	56.49
TOTAL	117.34	163.19
Note No.25		
Operating and Other Expenses		
A] Operating Expenses		
Stores & Spares Consumed	800.05	771.47
Electricity	832.00	848.49
Power & Fuel Expense	47.28	43.22
Electric Material	4.94	5.77
Outside Labour charges	216.65	288.81
Contract Labour Charges	769.88	619.58
Water charges	20.40	16.26
Repairs & Maintenance	205.52	192.19
Testing Fees	3.33	1.69
Hamali	1.17	1.90
Machining Charges	3.94	5.68
Development Charges	28.27	10.50
TOTAL (A)	2,933.43	2,805.56
B] Other Expenses		
Advertisement	5.54	10.00
CSR (Corporate Social Responsibility) Expenses	35.63	22.87
Auditors Remuneration		
i) Audit Fees	2.57	2.35
ii) Other Services	0.40	0.35
Business Expenses	25.76	18.57
Donation	0.18	-
Establishment Expenses	28.98	29.02
Foreign Tour Expenses	9.45	7.86
Freight Outward	122.84	92.56
Insurance	10.69	10.21
Building Repairs	50.63	42.50

(Rs. in Lakhs)

PARTICULARS	Current Year Ended on 31.03.2017	Previous Year Ended on 31.03.2016
Legal & Consultation	33.26	26.63
Misc. Expenses	20.28	38.63
Postage, Telephone	21.79	18.48
Printing & Stationary	18.95	13.62
Rent, Rates and Taxes	36.40	34.24
Sales Promotion Expenses	261.02	213.25
Sitting Fees	0.29	0.24
Travelling Expenses	87.22	75.34
Loss on sale of Asset	1.54	-
Net Gain/ Loss on sale of investments	-	5.23
Vehicle & Conveyance Expenses	14.99	13.68
Exchange Loss	12.21	-
TOTAL (B)	800.62	675.63
TOTAL (A + B)	3,734.05	3,481.18

Note No.26**Contingent Liabilities**

- a. State Bank of India has given guarantees on behalf of the Company for Rs. 37.35 lakhs (Previous year Rs.52.06 lakhs and Axis Bank Ltd has given guarantees on behalf of the Company for Rs.7.00 lakhs. (Previous year NIL),
- b. Central Sales Tax and MVAT assessments are completed up to 31.03. 2012. The liability in respect of pending assessments / appeals under BST/CST /VAT is unascertainable.
- c. The Income Tax assessments are completed up to the Assessment Year 2014-2015. (Relevant to accounting year ended 31.03.2014).
- d. Duty amount of export obligation under EPCG scheme is Rs.31.13 lakhs.

Note No.27**Other Notes**

- a. Previous year figures are regrouped wherever necessary to conform to current year figures.
- b. Amounts are rounded off to the nearest lakhs or decimal thereof.
- c. The Company has accounting liability for Excise Duty on Finished Goods as and when they are cleared. A liability for Excise Duty in respect of finished goods in stock at the close of the year estimated at Rs. 56.58 lakhs and has not been provided in the accounts nor included in the valuation of the inventory. However the said liability, if accounted, would have no impact on the profit for the year.

d. Disclosure relating to Micro, Small and Medium Enterprises:

Particulars	2017	2016
i) Total amount outstanding at the end of the year.	26,35,109	33,14,496
ii) Total amount outstanding beyond the appointed date.	Nil	Nil
iii) Amount of interest accrued and due at the end of the year on the balance outstanding.	Nil	Nil
iv) Total amount paid during the year beyond the appointed date.	Nil	Nil
v) Amount of interest accrued and due at the end of the year on amount paid during the year beyond the appointed date.	Nil	Nil
vi) Total interest due but not paid at the end of the year.	Nil	Nil

The above information, given regarding Micro, Small and Medium Enterprises, has been determined to the extent such parties have been identified on the basis of information available with the company

e) C.I.F. Value of Import

(Rs. in Lakhs)

Sr. No.	Particulars	Current Year Ended on 31.03.2017	Previous Year Ended on 31.03.2016
1	Raw Material & Consumables	131.49	101.73
2	Plant & Machinery	240.93	51.33
	TOTAL	372.42	153.06

f) VALUATION OF IMPORTED & INDIGENOUS RAW MATERIAL :

(Rs. in Lakhs)

Sr. No.	Particulars	Current Year Ended on 31.03.2017		Previous Year Ended on 31.03.2016	
		%	Value	%	Value
1	Imported Raw Materials	3.12	131.49	2.59	101.73
2	Indigenous Raw Materials	96.88	4,082.15	97.41	3,824.78
	TOTAL	100%	4,213.64	100%	3,926.51

g) EXPENDITURE IN FOREIGN CURRENCY :

(Rs. in Lakhs)

Sr. No.	Particulars	Current Year Ended on 31.03.2017	Previous Year Ended on 31.03.2016
1	Foreign Tour Expenses	9.45	7.86
2	Raw Material and Consumables	129.90	100.47
3	Plant and Machinery	234.09	49.47
	TOTAL	373.44	157.80

h) DETAILS OF DEALING IN SPECIFIED BANK NOTES:-

(Rs. in Lakhs)

Sr. No.	Particulars	SBNs	Other denomination notes	Total
1	Closing cash in hand as on 08.11.2016	1.19	0.66	1.85
2	(+) Permitted Receipt	-	23.27	23.27
3	(-) Permitted Payments	0.39	22.90	23.29
4	(-) Amount Deposited in Banks	0.80	Nil	0.80
5	Closing cash in hand as on 30.12.2016	Nil	1.03	1.03

As per our report of even date attached
For M/s. P.M.Vardhe & Co.
 Chartered Accountants

For and on behalf of the Board of Directors

P.M.VARDHE
 Proprietor
 Membership No.:031817

R. D. DIXIT
 Chairman & Managing Director

NITIN MENON
 Vice- Chairman & Joint Managing Director

Place : Kolhapur
 Date :27th April, 2017

ARUN ARADHYE
 CFO

ANUP PADMAI
 Company Secretary

mb 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

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

26TH ANNUAL GENERAL MEETING ON THURSDAY 29TH JUNE, 2017

Name of the member (s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP Id:

I/We being a member(s) of Shares of the above named Company hereby appoint:

(1) Name

Address.....

Email Id:..... Signature.....or failing him/her;

(2) Name


Address.....

Email Id:..... Signature..... or failing him/her;

(3) Name

Address.....

Email Id:..... Signature.....

 as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Thursday, 29th June, 2017 at 10.00 a.m. at The Residency Club, P.O. New Palace, Kolhapur-416003 and at any adjournment thereof in respect of such resolutions as are indicated overleaf:

P.T.O

Resolution Number	Resolutions	Vote (Optional see Note 2) (Please mention no. of share)		
		For	Against	Abstain
	Ordinary Business:			
1	Ordinary Resolution for adoption of Audited Financial Statements for the year ended 31 st March, 2017 alongwith Board's Report and Auditors' Report thereon			
2	Ordinary Resolution to confirm the payment of interim dividend on Equity Shares for the financial year ended 31 st March, 2017			
3	Ordinary Resolution for appointment of Director in place of Mr. R. D. Dixit, Chairman & Managing Director, (DIN: 00626827) who retires by rotation and being eligible, offers himself for re-appointment.			
4	Ordinary Resolution for appointment M/s Rahulprasad Agnihotri & Co., Chartered Accountants, Kolhapur (FRN : 122293W) as Statutory Auditors of the Company to hold office from the conclusion of 26 th Annual General Meeting until the conclusion of 31 st Annual General Meeting.			
5	Ordinary Resolution to ratify appointment of M/s. Rajesh Lohia & Co., Chartered Accountants (FRN: 108416W), as Branch Auditors of the Company until the conclusion of the 27 th Annual General Meeting.			
	Special Business:			
6	Ordinary Resolution for approval of remuneration payable to M/s. C. S. Adawadkar & Co. Cost Accountant, Pune, for the financial year 2017-18.			
7	Special Resolution for approval of re-designation of Mr. Nitin Menon as a Vice Chairman & Joint Managing Director of the Company.			
8	Special Resolution for approval of re-designation of Mr. R. D. Dixit as Chairman & Managing Director of the Company.			
9	Ordinary Resolution for approval of material related party transactions, in which directors of the Company are interested.			

Signed this day of, 2017

Signature of shareholder

Signature of Proxy holder(s)

A f f i x R e v e n u e S t a m p

Note :

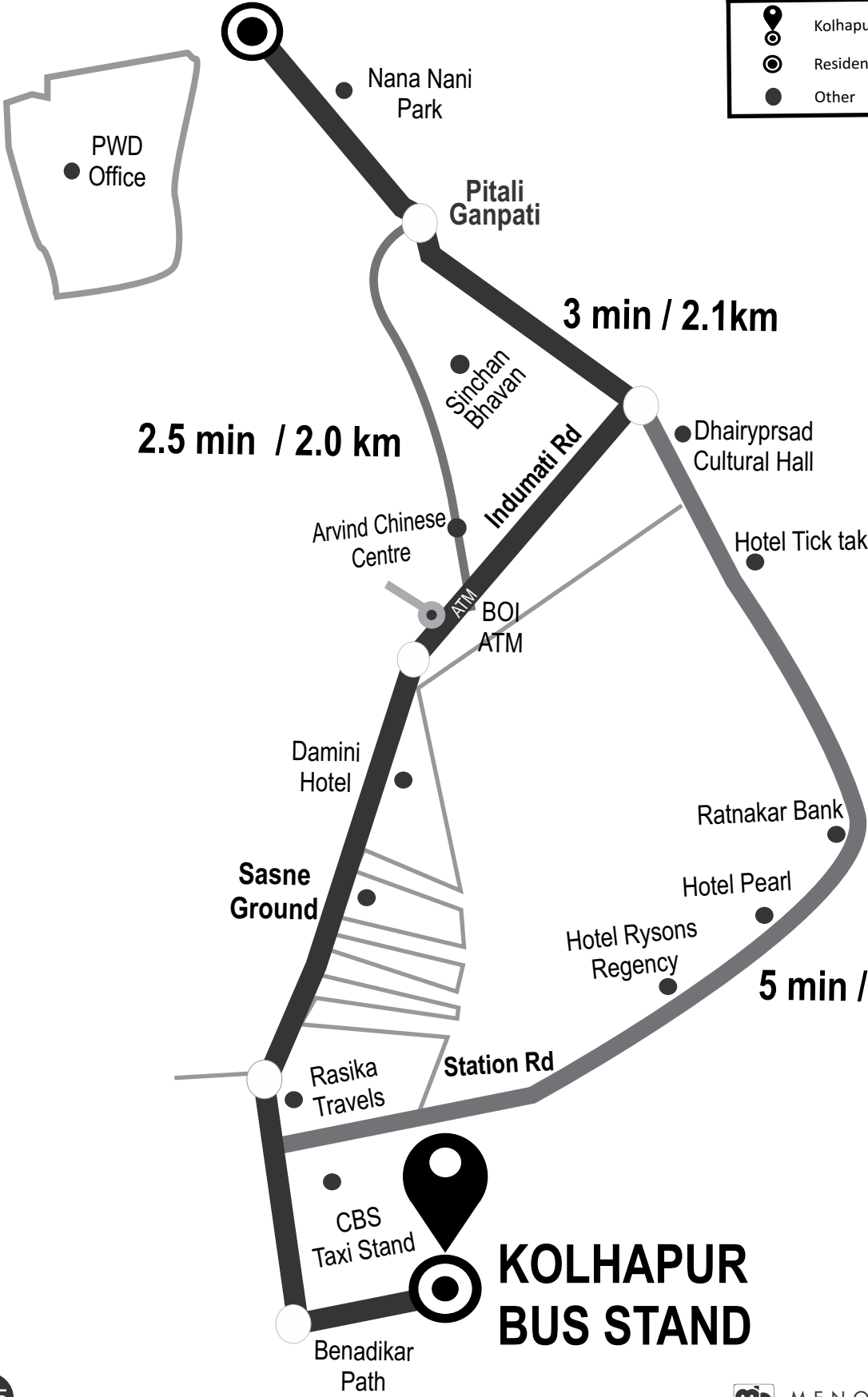
1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deemed appropriate.
3. In case of multiple proxies, the proxy later in time shall be accepted.
4. Proxy need not be the shareholder of the Company



RESIDENCY CLUB

ROUTE MAP
Kolhapur ST.Stand to
Residency Club

- Kolhapur Bus Stand
- Residency Club
- Other



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NOTES

NOTES

MENON BEARINGS LTD.

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Fax: +91 231 2672278,
E-mail : admin@menonbearings.in,
Web : www.menonbearings.in

USA and Canada :
Call Toll Free 1 (866) 55 MENON,
001 (866) 556-3666 -
OR 001 (317) 514-7215



Menon Bearings
plant at Kolhapur,

