

23rd March, 2024

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

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

Dear Sir / Ma'am,

Subject: Outcome of Board Meeting held today i.e. Saturday, 23rd March, 2024.

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), we wish to inform you that the Board of Directors of the Company at its meeting held today i.e. **23rd March, 2024**, *inter-alia*, considered the following matters:

- (1) approved the proposal to transfer Company’s business undertaking comprising of ‘Aluminium Division’ by way of ‘Slump Sale’ as a going concern to Menon Alkop Limited (‘MAL’), Wholly Owned Subsidiary of the Company, for an overall purchase consideration of Rs. 20.00 Crores (Rupees Twenty Crores only) and the MAL shall, in turn, settle the purchase consideration by issuing 8,25,00,000 equity shares of Re. 1/- each at a premium of Rs. 1.42 per share to the Company, subject to shareholders’ approval of the Company; and

Details as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated 13.07.2023 are enclosed herewith and marked as **Annexure I**.

- (2) Decided to seek shareholders’ approval for the proposed Slump Sale through Postal Ballot Process.

The meeting of the Board of Directors commenced at 11:00 A.M. and concluded at 12:45 P.M.

Kindly take the above in your record.

Thanking you,

Yours faithfully,

for Menon Bearings Limited

Manmay Kalyankar
Company Secretary & Compliance Officer
Membership No: A29264

Encl: A/a

Annexure- I

Proposed sale or disposal of Unit or Division of the Company:

Sr. No.	Particulars	Information of such event
a)	The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division or undertaking or subsidiary or associate company of the listed entity during the last financial year;	During the financial year ended on 31 st March, 2023, the income generated out of the 'Aluminium Division' of the Company was Rs. 60.14 Crores being 27.35% of the total income of the Company. As on 31 st March, 2023, the Net Worth of 'Aluminium Division' was at Rs. 22.29 Crores being 16.72% of the total Net Worth of the Company.
b)	Date on which the agreement for sale has been entered into;	The Business Transfer Agreement (BTA) will be executed post receipt of approval thereof from the shareholders of the Company.
c)	The expected date of completion of sale/disposal;	The slump sale, subject to certain conditions precedent and statutory, regulatory, shareholders and other approvals, is expected to be closed by the end of April, 2024.
d)	Consideration received from such sale/disposal;	An overall consideration of Rs. 20.00 Crores (Rupees Twenty Crores Only) against which MAL, the buyer, shall issue 8,25,00,000 equity shares of Re. 1/- each at a premium of Rs. 1.42 per share free from all encumbrances to MBL, the seller.
e)	Brief details of buyers and whether any of the buyers belong to the promoter/ promoter group/group companies. If yes, details thereof;	<u>Buyer:</u> Menon Alkop Limited (MAL) is a wholly owned subsidiary of the Company, incorporated on 23.01.2024.
f)	Name of the entity(ies) forming part of the amalgamation / merger, details in brief such as, size, turnover etc.;	<u>Seller:</u> Menon Bearings Limited (MBL) is, <i>inter-alia</i> , engaged in the business of manufacturing critical auto-components such as bimetal bearings, bushes, thrust washers, etc. The financial details of MBL (Standalone Basis) for FY. 2022-23 are as follows: 1. Revenue from Operations - Rs. 219.86 Crores 2. Profit Before Tax - Rs. 42.63 Crores 3. Paid - Up Capital - Rs. 5.60 Crores



[Handwritten Signature]

g)	Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length";	Yes, the Menon Alkop Limited is wholly owned subsidiary of Menon Bearings Limited. The transaction is done on arm's length basis.
h)	Whether the sale, lease or disposal of the undertaking is outside Scheme of Arrangement? If yes, details of the same including compliance with regulation 37A of LODR Regulations;	The proposed sale of 'Aluminium Division' of the Company is through Slump Sale. Since, the proposed transaction is with wholly owned subsidiary of the Company, in terms of sub-regulation (2) of Regulation 37A, it is exempted from the applicability of Regulation 37A(1) of LODR Regulations.
i)	Rationale for sale;	In line with the strategic vision of the Company, to foster its own growth and for the expansion of Aluminium Division, it is advisable to tailor the operations based on its unique requirements without being constrained by the existing setup by establishing as a separate entity. Therefore, the Board of Directors of the Company has decided to divest the Aluminum Division, on a slump sale basis to MAL subject to approval from the shareholders of the Company.
j)	In case of cash consideration - amount or otherwise share exchange ratio;	Purchase consideration for the sale and transfer of Aluminium Division of MBL would be Rs. Rs. 20.00 Crores (Rupees Twenty Crores Only) against which MAL, the buyer, shall be issuing 8,25,00,000 equity shares of Re.1/- each at premium of Rs. 1.42 per share.
k)	Brief details of change in shareholding pattern (if any) of listed entity.	There shall be no change in the shareholding pattern of the listed entity.



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