

18th July, 2020

To,
The Manager (DCS)
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai-400001

Scrip Code: 531727

Subject: Submission of 43rd Annual Report for the financial year ended March 31, 2020.

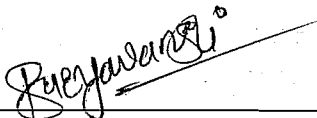
Dear Sir / Madam,

Pursuant to the provisions of regulations 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are pleased to submit herewith a copy of 43rd Annual Report for the financial year ended March 31, 2020, along with the Notice of 43rd Annual General Meeting of the members of the Company scheduled to be held on Wednesday, 12th August, 2020 at 04.00 p.m. (IST) through Video Conferencing ("VC") or other audio visual means ("OAVM"). The deemed venue for the AGM shall be the registered office of the Company.

Kindly take the same on your records.

Thanking you;
Yours faithfully,

For Menon Pistons Limited



Pramod Suresh Suryavanshi
Company Secretary & Compliance Officer
ICSI Membership No. A45514

Place: Kolhapur

Encl.: As above

MENON Group

A name you can *trust*

43rd

Annual Report
2019 - 2020

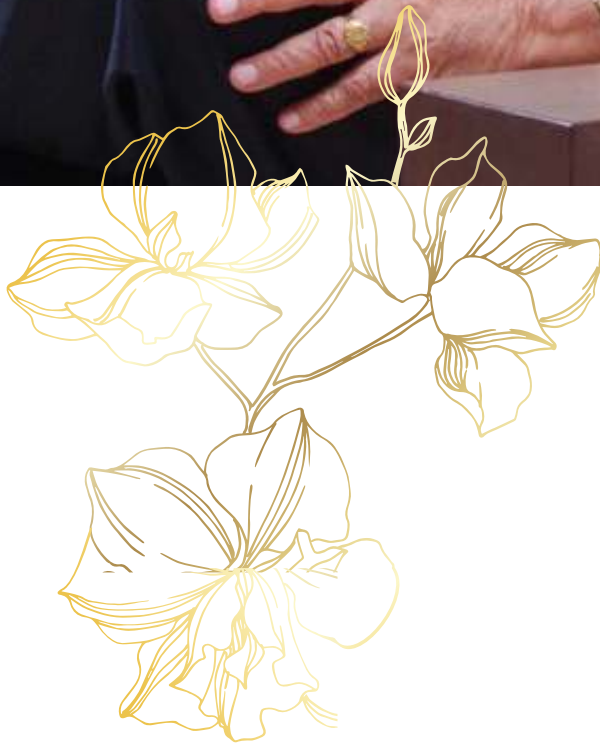
MENON



MENON PISTONS LIMITED

Driven By Technology





Founder & Chairman
Late Shri. RAM MENON

(1929 - 2019)

*We salute our founder, mentor
and head of the family.
We fondly remember a progressive,
dynamic and empowering leader.*

*The culture he built around us is
our most important asset.
His values continue to guide
every decision we make.*

Menon Pistons Ltd.
CIN - L34300MH1977PLC019823
43rd Annual Report 2019-2020



Menon Pistons Ltd. main manufacturing facility at Kolhapur.

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The Board of Directors

Mr. Sachin Menon

Chairman & Managing Director

Mr. R. D. Dixit

Non - Executive Director

Mr. Ajitkumar S. Belur

Independent Director

Mrs. Sadhana Zadbuke

Independent Women Director

Mr. Subhash Kutte

Independent Director

(w.e.f. 10th May 2019)

Mr. Shrikant Sambhoos

Independent Director

(w.e.f. 11th March 2020)

Key Managerial Personnel:

Mr. S B P Kulkarni - Associate Vice President & CFO

Mr. Pramod Suryavanshi - Company Secretary & Compliance Officer

Statutory Auditors:

M/s P. G. Bhagwat

Chartered Accountants, Pune

Secretarial Auditors:

M/s. DVD & Associates

Company Secretaries, Pune

Financial Institutions & Bankers:

IDBI Bank Ltd.

Kolhapur

Registered Office

Menon Pistons Limited

182, Shirol, Kolhapur - 416122

Phone: 91-230-2468041/42

Website: www.menonpistons.com

Email: cs@menonpistons.com

Registrar and Share Transfer Agent

Link Intime India Private Limited

Block No.202, Akshay Complex

Near Ganesh Temple, Off Dhole Patil Road

Pune - 411001, Phone - 91-20-26160084/26161629

Email: pune@linkintime.co.in

Menon Pistons Limited

Regd. Office: 182, Shirol, Kolhapur – 416 122

CIN: L34300MH1977PLC019823, Email: cs@menonpistons.com, Tel. no - 0230 2468041/42

www.menonpistons.com

Notice of 43rd Annual General Meeting

Notice is hereby given that the 43rd Annual General Meeting of the members of **Menon Pistons Limited** will be held on **Wednesday, 12th August, 2020 at 4.00 PM**. Indian Standard Time (“IST”), through Video Conferencing / Other Audio Visual Means (“VC/OAVM”) Facility to transact the following businesses:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Standalone Financial Statements for the financial year ended 31st March, 2020 together with Reports of Director's & Auditor's thereon.
- 2) To confirm the payment of Interim Dividend of Re. 0.45 per equity shares already paid during the year as the Final Dividend for the financial year 2019-20.
- 3) To appoint a director in place of Mr. Sachin Ram Menon (DIN: 00134488) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS:

4) 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 (3) and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), M/s. C S Adawadkar & Co., Cost Accountants, Pune (FRN-100401), the Cost Auditors appointed by the Board of Directors to verify, review cost records and to conduct cost audit of the Company for the financial year ending 31st March, 2021, be paid remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus GST as applicable and reimbursement of out of pocket expenses.

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

5) Appointment of Mrs. Sadhana Zadbuke as a Women Independent Director of the Company:

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

“**Resolved that** Mrs. Sadhana Zadbuke (DIN: 06978368), who was appointed as an Additional Director (Non-Executive & Independent category) of the Company with effect from 02nd November, 2019 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and who holds office as such upto the date of this ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Act signifying his intention to propose the candidature of Mrs. Sadhana Zadbuke (DIN: 06978368) for the office of Independent



Director of the Company, be and is hereby appointed as an Independent Director of the Company for 2nd term pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modifications or re-enactments thereon for the time being in force) to hold office for a period of one year i.e. up to 01st November, 2020.”

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

6) Appointment of Mr. Shrikant Sambhoos as an Independent Director of the Company:

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

“**Resolved that** Mr. Shrikant Sambhoos (DIN: 08716109), who was appointed as an Additional Director (Non-Executive & Independent category) of the Company with effect from 11th March, 2020 pursuant to the provisions of Section 161 (1) of the Companies Act, 2013 (“the Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and who holds office as such upto the date of this ensuing Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing from a member as required under Section 160 of the Act signifying his intention to propose the candidature of Mr. Shrikant Sambhoos (DIN: 08716109) for the office of Independent Director of the Company, be and is hereby appointed as an Independent Director of the Company pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV to the Act (including any statutory modifications or re-enactments thereon for the time being in force) to hold office for a period of 3 (three) consecutive years i.e. up to 10th March, 2023 and shall not be liable to retire by rotation.”

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

7) Reappointment of Mr. Sachin Menon as Chairman & Managing Director of the Company:

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

“**Resolved that** pursuant to the provisions of Sections 188 (1) (d) & (f), 196, 197, 198 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force) and in accordance with the relevant provisions of the Articles of Association of the Company, Mr. Sachin Menon (DIN: 00134488) be and is hereby re-appointed as Chairman & Managing Director of the Company for a period of 3 (Three) years w.e.f. 1st February, 2020 to 31st January, 2023 on the terms and conditions including remuneration as set out in the statement annexed to the notice convening this meeting, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall be deemed to include the Human Resources, Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment and / or remuneration as it may deem fit and as may be acceptable to Mr. Sachin Menon, and the remuneration and other terms as set out in this resolution as well as in the Explanatory Statement attached to the notice.

Resolved further that pursuant to the provisions under Section 196, 197, 198, Schedule V as applicable and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred to as “the Act”) including any statutory amendments, modifications or re-enactment thereof and subject to such other requisite approvals, as may be required in this regard, the consent of the shareholders be and is hereby accorded for the payment of minimum remuneration as set out in the statement annexed to the notice convening this meeting.

Resolved further that the Board of Directors of the Company be and is hereby authorized to do all such acts, matters and things as may be necessary to give effect to the above resolution.”

By Order of the Board
For Menon Pistons Limited

Place : Kolhapur
Date : 16.06.2020

Sachin Menon
Chairman & Managing Director
DIN: 00134488



Notes:

1. A statement under Section 102 of the Companies Act, 2013 and as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of special businesses is annexed hereto. The Board of Directors of the Company at its meeting held on 16th June, 2020 considered that the special businesses being considered unavoidable, be transacted at the 43rd Annual General Meeting (“AGM”) of the Company.
2. In view of the outbreak of COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos.14/2020, 17/2020 and 20/2020 dated 8th April 2020, 13th April 2020 and 5th May 2020, respectively, issued by the Ministry of Corporate Affairs (“MCA Circulars”), Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May 2020 issued by the Securities and Exchange Board of India (“SEBI Circular”) and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being conducted through VC/OAVM facility, which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be the registered office of the Company.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to devendracs@gmail.com with copies marked to the Company at cs@menonpistons.com and to its RTA at pune@linkintime.co.in.
5. Those Members whose email IDs/Bank account details etc. are not registered can get the same registered as follows:
 - a. Members holding shares in the physical form - The shareholder may please forward a letter duly signed by him/her containing email ID, mobile number and Bank Account details alongwith self attested copies of PAN and Aadhar Cards and cancelled cheque leaf of his/her bank account. In case cheque does not contain sole/first shareholder's pre-printed name then also attach 1st page of bank passbook.
 - b. Members holding shares in Demat form - may please contact the Depository Participant (“DP”) and register the email address and bank account details in the Demat account as per the process followed and advised by the DP.
6. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 & 21 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by Institute of Company Secretaries of India, the Company is pleased to provide e-voting facility to its members to cast their right to vote electronically on the resolutions mentioned in the notice of the 43rd AGM. The Company has engaged services of Link Intime India Pvt. Ltd. to provide e-voting facility. Instructions and other information relating to e-voting are given in this notice under **Note No. 31**
7. The members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the meeting by following the procedure mentioned in the notice.

Instructions and other information for members for attending the AGM through VC/OAVM are given in this notice under **Note No. 32**

8. The attendance of the members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
9. As the AGM of the Company is holding through Video Conferencing/OAVM, we therefore request the members to submit questions in advance relating to the business specified in this notice of AGM at least Seven (7) days before the date of the AGM on the email IDs: cs@menonpistons.com / oad@menonpistons.com.
10. Members desiring information on the financials and operations of the Company are requested to write to the Company at least Seven (7) days before the date of the AGM to enable the Company to furnish the information.
11. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the notice will also be available for electronic inspection without any fee by the members from the date of circulation of this notice up to the date of AGM, i.e. 12th August, 2020.
12. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
13. As per the MCA General Circular 20/2020 dated 05th May, 2020, the Annual Report will be sent through electronic mode only to those members whose email ids are registered with the RTA of the company / Depository participant.
14. Members of the company holding shares either in physical form or in Dematerialized form as on Benpos date i.e. 17th July, 2020, will receive Annual Report through electronic mode.
15. 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. Wednesday, 05th August, 2020 may obtain the Login Id and password by sending a request at enotices@linkintime.co.in
16. All correspondence relating to transfer and transmission of shares, sub-division of shares, issue of duplicate share certificates, change of address, dematerialization of shares, payment of dividend etc. will be attended to and processed at the office of the RTA i.e. Link Intime India Private Limited, Block No. 202, Akshay Complex, Dhole Patil Road, Near Ganesh Temple, Pune-411001, Phone No.- 020-26161629/26160084 Email-pune@linkintime.co.in Contact Person-Mr. Umesh Sharma.
17. The requisite information about the Directors seeking appointment/re-appointment is included in the Report on Corporate Governance/Statement annexed to notice as the case may be.
18. Unclaimed dividends for the financial year 2012-13 can be claimed from the Company by completing the requisite formalities. To claim unpaid/unclaimed dividend for the financial year 2012-13, the requisite formalities are required to be completed prior to 1st October, 2020. Thereafter the unclaimed dividend for the said year is liable to be transferred to the Investor Education and Protection Fund established by the Central Government as per Section 125 of the Act. For details on unclaimed dividend(s), members are requested to write to Link Intime India Private Limited, Pune at the above address. The shares on which the Dividend has remained unpaid/unclaimed for a period of consecutive 7 (seven) years or more would be transferred to Investor Education and Protection Fund as per the provisions of the Act. The Company has appointed Mr. S B P Kulkarni as a Nodal officer for IEPF as well as authorized him for the purpose of transferring the shares to IEPF. The details of the unpaid/unclaimed dividend are available on the website of the Company i.e. www.menonpistons.com
19. The Ministry of Corporate Affairs 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 transferred respective shares to IEPF authority for the financial year 2011-12.

20. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in Demat form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN to the RTA of the Company.
21. Pursuant to Section 72 of the Act, Members holding shares in physical form may file nomination in the prescribed Form SH-13 (In duplicate) with the Company's Registrar and Transfer Agent. In respect of shares held in Demat form, the nomination form may be filed with the respective Depository Participant.
22. Members holding shares in physical form are requested to notify immediately any change in their address/details of their bank account to the Company/Registrar and Share Transfer Agent (RTA) quoting their Folio No. along with self-attested documentary proofs. Members holding shares in dematerialized form may update such details with their respective Depository Participant(s).
23. SEBI has made it mandatory to use National Electronic Clearing Service (NECS) facility to deposit the dividend into member's bank account wherever NECS and bank details are available with the depositories and/or Company. Members who wish to avail this facility in future are requested to update their bank account details by submitting the NECS Mandate Form which is available on the website of the Company i.e. <https://www.menonpistons.com/s/NECSMandateForm.pdf>
24. Members holding shares in identical order of names in more than one folio are requested to write to the Company's RTA - Link Intime India Pvt. Ltd. enclosing their Share certificate(s) to enable the Company to consolidate their holdings into one folio for better services.
25. The Company encourages members to intimate/update their e-mail addresses to receive the Annual Report and other communication electronically in support of the "Go Green" initiative of the Ministry of Corporate Affairs. Members may intimate/update their e-mail address by sending a mail to pune@limkintime.co.in with their name and folio details. Members holding shares in Demat may please update their e-mails with the respective depository participant. The Company will send all communication including the Annual Report via e-mail to the members who have provided their e-mail addresses to the Company/Depositories. A copy of the Annual Report will be available on the Company's website www.menonpistons.com and website of the stock exchange i.e. www.bseindia.com.
26. Members who still hold share certificates in physical form are advised to Dematerialise their shareholding to avail the benefits of Dematerialisation, which include easy liquidity, trading is permitted in Dematerialised form only, electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
27. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.
28. The Board of Directors have appointed Mr. Devendra Deshpande, Company Secretary, Pune, as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
29. The Scrutinizer shall within a period of not exceeding 48 hours from the conclusion of e-voting period unblock the votes in the presence of at least Two (2) witnesses not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The Chairman or any other person authorized by the Chairman shall declare the result

of the voting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the website of the Company i.e. www.menonpistons.com and on the website of Link Intime India Private Limited (LIPL) <https://instavote.linkintime.co.in>. The Results shall also be immediately forwarded to the BSE Limited where the shares of the Company are listed.

30. Since the AGM will be held through VC/OAVM Facility, the route map is not annexed in this notice

31. The instructions for members voting electronically are as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>

Those who are first time users of LIPL e-voting platform or holding shares in physical mode have to mandatorily generate their own Password, as under:

Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

A. User ID: Enter your User ID

- Shareholders/members holding shares in CDSL Demat account shall provide 16 Digit Beneficiary ID
- Shareholders/members holding shares in NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID
- Shareholders/members holding shares in physical form shall provide Event No + Folio Number registered with the Company.

B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/Company shall use the sequence number provided to you, if applicable.

C. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company in DD/MM/YYYY format)

D. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company

- Shareholders/members holding shares in CDSL Demat account shall provide either 'C' or 'D', above
- Shareholders/members holding shares in NSDL Demat account shall provide 'D', above
- Shareholders/members holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above
- Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter).
- Click "confirm" (Your password is now generated).

NOTE: If Shareholders/members are holding shares in Demat form and have registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and/or voted on an earlier event of any company then they can use their existing password to login.

2. Click on '**Login**' under '**SHARE HOLDER**' tab.
3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.
4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
5. E-voting page will appear.
6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).



7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on '**No**' and accordingly modify your vote.
8. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

If you have forgotten the password:

- Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password?**'
- Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.
- In case shareholders/members are having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#\$%&*), at least one numeral, at least one alphabet and at least one capital letter.
- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/members holding shares in physical form, the details can be used only for voting on the resolutions contained in the Notice.
- During the voting period, shareholders/members can login any number of time till they have voted on the resolution(s) for a particular "Event".
- Shareholders/members holding multiple folios/Demat account shall choose the voting process separately for each of the folios/Demat account.

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

Other Instructions:

- a. The e-voting period begins on Sunday, 09th August, 2020 (9:00 am) and ends on Tuesday, 11th August, 2020 (5:00 pm). During this period, members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, 05th August, 2020 may cast their votes electronically. The e-voting module shall be disabled by Link Intime India Pvt. Ltd. for voting after 5.00 pm on Tuesday, 11th August, 2020.
- b. The voting rights of members shall be in proportion to their shares held in the paid up equity share capital of the Company as on the cut-off date i.e. Wednesday, 05th August, 2020. 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 vote.
- c. Shareholders/ Members, who will be present in the AGM through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.
Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the AGM through InstaMeet. However, they will not be eligible to vote again during the meeting.

Note: For detailed procedure, kindly refer the link provided in the email for E-voting instructions.

32. Instructions for Shareholders/Members to Attend the Annual General Meeting through InstaMeet (VC/OAVM) are as under::

Process and manner for attending the Annual General Meeting through InstaMeet:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

- Select the “**Company**” and 'Event Date' and register with your following details: -
- A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No.
- Shareholders/ members holding shares in **CDSL Demat account shall provide 16 Digit Beneficiary ID**
 - Shareholders/ members holding shares in **NSDL Demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
 - Shareholders/ members holding shares in **Physical form shall provide Folio Number** registered with the Company
- B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP) / Company shall use the sequence number provided to you, if applicable.
- C. Mobile No.:** Enter your mobile number.
- D. Email ID:** Enter your email id, as recorded with your DP/Company.
- Click “**Go to Meeting**” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (**annexure**) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the cs@menonpistons.com
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.

4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@linkintime.co.in or contact on: - Tel: 022-49186175.

Annexure

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>

OR

b) if you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application. Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

Note: For detailed procedure, kindly refer the link provided in the email for InstaMeeting video conference instructions.

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

The following explanatory statement sets out all material facts relating to the Special Businesses mentioned in the accompanying notice:

ITEM NO. 4 - Approval of remuneration to cost auditors for conducting cost audit for financial year 2020-21:

The Board, after considering the recommendation of the Audit Committee, has approved the appointment and remuneration to M/s. C S Adawadkar & Co., Cost Accountants, Pune to conduct verification and review of the cost records of the Company for the financial year ending 31st March, 2021 on a remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus GST and out of pocket expenses, if any.

In terms of the provisions of Section 148 (3) of the Companies Act, 2013 read with Rule 14 (a) (ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is to be fixed by the members of the Company.

Considering the applicable provisions of the Act and Rules made thereunder, approval of the members of the Company is being sought by this ordinary resolution as a matter of caution. Appointment of the Cost Auditor was made by the Board, as stated on the basis of recommendations of the Audit Committee.

None of the Directors/Key Managerial Personnel of the Company or their relatives is concerned or interested in the said resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the notice for approval of the members.

ITEM NO. 5 - Appointment of Mrs. Sadhana Zadbuke as an Independent Director of the Company:

Mrs. Sadhana Zadbuke (DIN: 06978368) who completed her first term as an Independent Director of the Company on 01st November 2019 as per the Companies Act, 2013 and has been appointed as an Additional Director (Non-Executive & Independent category) of the Company for a term of one year with effect from 02nd November, 2019, subject to approval of members at the ensuing AGM by way of a Special Resolution. She worked as senior faculty in social work at CSIBER, a post graduate research institute at Kolhapur. Since last 30 years she is involved in many social activities in and around Kolhapur and her noble service recognized by Government of Maharashtra and other Institutions.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Sadhana Zadbuke holds office as such upto the date of this AGM. In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013, an Independent Director can be appointed for a term of 5 (Five) consecutive years and shall not be liable to retire by rotation.

Mrs. Sadhana Zadbuke has given the requisite declaration pursuant to Section 149 (7) of the Act, to the effect that she meets the criteria of independence as provided in Section 149 (6) of the Act. The Company has also received notice from a member as per the provisions of Section 160 of the Act, proposing her candidature for the office of Independent Director. Further she is not disqualified from being appointed as director in terms of Section 164 of the Act and has given her consent to act as such.

In the opinion of the Board, Mrs. Sadhana Zadbuke fulfills the conditions specified in the Act, the rules made



there under and Listing Regulations for appointment as an Independent Director and she is Independent of the management. The Nomination and Remuneration Committee has also recommended her appointment as Independent Director for a term of 1 (one) year.

Brief resume of Mrs. Sadhana Zadbuke as stipulated under Regulation 36 (3) of Listing Regulations and SS-2 issued by the ICSI forms part of the notice.

The Board considers that her association would be of immense benefit to the Company and it is desirable to avail the expertise of Mrs. Sadhana Zadbuke as an Independent Director.

The Board recommends the Special Resolution as set out at Item No. 5 of the notice for approval of the members.

Except Mrs. Sadhana Zadbuke, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives is/are concerned or interested in the said resolution.

ITEM NO. 6 - Appointment of Mr. Shrikant Sambhoos as an Independent Director of the Company:

Mr. Shrikant Sambhoos (DIN: 08716109) has been appointed as an Additional Director (Non-Executive & Independent category) of the Company for a term of 3 (three) consecutive years with effect from 11th March, 2020, subject to approval of members at the ensuing AGM. He is a senior leader with more than 40 years of industry experience in Strategic Planning and Implementation, Focused on areas of Business Strategy, Strategic Sourcing, Supply Chain Management, Operations, Manufacturing Engineering, Plant Maintenance and Continuous Improvement Projects. He was associated with leading companies like Kirloskar Oil Engines Ltd, Cummins India Ltd. etc

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Shrikant Sambhoos holds office as such upto the date of this AGM. In accordance with the provisions of Section 149 read with Schedule IV to the Companies Act, 2013 ("the Act"), an Independent Director can be appointed for a term of 5 (Five) consecutive years and shall not be liable to retire by rotation.

Mr. Shrikant Sambhoos has given the requisite declaration pursuant to Section 149 (7) of the Act, to the effect that he meets the criteria of independence as provided in Section 149 (6) of the Act. The Company has also received notice from a member as per the provisions of Section 160 of the Act, proposing his candidature for the office of Independent Director. Further he is not disqualified from being appointed as director in terms of Section 164 of the Act and has given his consent to act as such.

In the opinion of the Board, Mr. Shrikant Sambhoos fulfills the conditions specified in the Act, the Rules made there under and Listing Regulations for appointment as an Independent Director and he is Independent of the management. The Nomination & Remuneration Committee has also recommended his appointment as Independent Director for a term of 3 (Three) consecutive years.

Brief resume of Mr. Shrikant Sambhoos as stipulated under Regulation 36 (3) of Listing Regulations and SS-2 issued by the ICSI forms part of the notice.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail the expertise of Mr. Shrikant Sambhoos as an Independent Director.

The Board recommends the Ordinary Resolution as set out at Item No. 6 of the notice for approval of the members.

Except Mr. Shrikant Sambhoos, being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives is/are concerned or interested in the said resolution.

ITEM NO. 7 - Appointment of Mr. Sachin Menon as a Chairman & Managing Director:

Mr. Sachin Menon being Chairman & Managing Director of the Company looks after day to day business affairs of the Company. The term of the said position of Mr. Sachin Menon in the Company is upto 31st January, 2020.

On recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company (the 'Board') at its meeting held on 29th January, 2020, subject to approval of the members in the forthcoming general meeting by way of a special resolution, unanimously decided to reappoint Mr. Sachin Menon as a Chairman & Managing Director of the Company for another term of 3 years w.e.f. 01st February, 2020, at a remuneration to be considered by the Board from time to time considering his rich experience and contribution to the Company.

The Company has not committed any default in payment of dues to any bank or public financial institution or any other secured creditor.

The Independent Directors in their separate meeting held on 29th January, 2020 have reviewed the performance of Mr. Sachin Menon as a Key Managerial Personnel and as Chairman & Managing Director of the Company. The Board also in its meeting has done performance evaluation of Mr. Sachin Menon as a Chairman & Managing Director and has recommended his reappointment for further period of 3 (three) years based on the criteria for determining qualifications, positive attributes and also based on the executive compensation policy / nomination and remuneration policy adopted by the committee of the Company.

Mr. Sachin Menon is in strict sense of interpretation of provisions of Section 188 (1) (d) (f) of the act is a related party being relative of the promoters and being one of the promoter himself and is said to hold office of profit by holding the Chairman & Managing Director position with remuneration. Due to this Special Resolution needs to be passed with disinterested quorum.

The remuneration payable shall be within the maximum permissible limits as specified below without obtaining the approval of the Central Government in case of no profits / inadequate profits as the necessary special resolution is proposed to be passed at the ensuing Annual General Meeting.

During his last tenure as a Chairman & Managing Director of the Company, Menon Pistons Limited has achieved a highest turnover from year to year and achieved reasonably good profits considering the industry norms. The Company has also paid reasonably good dividend to its shareholders. The Company has also maintained very cordial relations with the labour and number of new customers has been added. The Company has received recognitions and awards by number of customers during the last five years. There is only 1 (one) Executive Director in the Company, other being either Non-Executive or Independent Directors.

Particulars of the minimum remuneration payable to Mr. Sachin Menon (DIN: 00134488) Chairman & Managing Director is as under:

Particulars	Rs. In Lakhs (w.e.f. 01.02.2020)
Basic	4.00
Total A	4.00
H.R.A.	2.00
Conveyance Allowance	0.70
Education Allowance	0.01
Servant Allowance	0.08
Special Allowance	0.10
L.T.A.	0.06
S.F.A.	0.02
Washing Allowance	0.07
Total B	3.03
Perks (36.80%) (P.F./Gratuity/Bonus)	1.47
Total C	1.47
Grand Total (A+B+C)	8.50

A full agreement entered into with Mr. Sachin Menon (DIN: 00134488) explaining his terms of reference, remuneration etc is kept at the registered office of the Company for inspection of the stakeholders.

Brief resume of Mr. Sachin Menon as stipulated under Regulation 36 (3) of Listing Regulations and SS-2 issued by the ICSI forms part of the notice.

The Board recommends the Special Resolution as set out at Item No. 7 of the notice for approval of the members.

Except Mr. Sachin Menon being an appointee, none of the other Directors and Key Managerial Personnel of the Company or their relatives is/are concerned or interested in the said resolution.

**By order of the Board
For Menon Pistons Limited**

Place : Kolhapur
Date : 16.06.2020

**Sachin Menon
Chairman & Managing Director
DIN: 00134488**

Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 (SS-2) issued by the ICSI, details of Directors seeking appointment/re-appointment at the ensuing AGM are as follows:

Name of Director	Mrs. Sadhana Zadbuke	Mr. Shrikant Sambhoos	Mr. Sachin Menon
DIN	06978368	08716109	00134488
Date of Birth	21/11/1952	07/02/1956	27/06/1963
Age	68 years	64 years	57 years
Nationality	Indian	Indian	Indian
Date of Appointment	02/11/2019	11/03/2020	01/02/2020
Qualification	M. A. (Sociology) M. Phil (Social work)	MDBA in Production and Marketing, IMDR Pune Mechanical Engineering (DME), Pune	B.E. (Mechanical) Masters Degree in Business Administration from the USA with a major in Finance.
Experience / Expertise	She worked as senior faculty in social work at CSIBER, a post graduate research institute at Kolhapur. Since last 30 years she is involved in many social activities in and around Kolhapur and her noble service recognized by Government of Maharashtra and other Institutions.	He is Senior leader with more than 40 years of industry experience in Strategic Planning and implementation, focused on areas of Business Strategy, Supply Chain Management, Operations, Manufacturing Engineering, Plant Maintenance & Continuous Improvement Projects.	Upon completion of his Education he has worked with two Multinational Companies in the US. He then joined his family business, which is involved in the manufacturing of automobile components for various engine manufacturers in India and abroad. Presently he is working at Menon Pistons Ltd in the capacity of Chairman & Managing Director.
No. of Shares held in the Company	Nil	Nil	10701660
List of Directorship held in other listed companies	Nil	Nil	Nil
List of Chairmanship and Membership of Various committees in listed companies	Chairmanship: <u>Menon Pistons Ltd</u> - Internal Complaints Committee - w.e.f. 16.06.2020 Membership: <u>Menon Pistons Ltd</u> - Nomination & Remuneration Committee	Chairmanship: <u>Menon Pistons Ltd</u> - Nil Membership: <u>Menon Pistons Ltd</u> - Audit Committee - w.e.f. 16.06.2020 - Stakeholders Relationship Committee - w.e.f. 16.06.2020 - Corporate Social Responsibility Committee - w.e.f. 16.06.2020	Chairmanship: <u>Menon Pistons Ltd</u> - Corporate Social Responsibility Committee - Risk Management Committee Membership: <u>Menon Pistons Ltd</u> - Stakeholders Relationship Committee
Relationship with existing Directors of the Company	Not related	Not related	Not related

Additional Information for item no. 7 as required under Clause (B) of Part II of Section II of Schedule V to the Companies Act, 2013 are given below:

I. General Information :

1.	Nature of Industry	Manufacturing of auto components.
2.	Date or expected date of commencement of commercial production	The Company is an existing company and is in operation since 1977
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A.
4.	Financial performance based on given indicators	Earnings Per Share : 0.86/- Return on Net worth : 5.88% Debt Equity Ratio : 1.25
5.	Foreign investments or collaborations, if any.	N.A.

II. Information about the appointee : Mr. Sachin Menon

1.	Background details	Upon completion of his education he has worked with two Multinational Companies in the US. He then joined this business, which is involved in the manufacturing of automobile components for various engine manufacturers in India and abroad. Presently he is working at Menon Pistons Limited in the capacity of Chairman & Managing Director.
2.	Past Remuneration	Rs. 7,09,075/- p.m.
3.	Recognition or awards	He holds a Bachelor's Degree in Mechanical Engineering from Manipal Institute of Technology, Manipal and a Master's Degree in Business Administration from the USA with a major in Finance.
4.	Job profile and his suitability	Mr. Sachin Menon is engaged in day-to-day activities of the Company and is responsible for overall management.
5.	Remuneration proposed	Rs. 8,50,000/- p.m.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	The remuneration payable to Mr. Sachin Menon, as Chairman & Managing Director is at par with the industry standards, in which the company operates. The Company has only 1 executive Director and he is taking all the lead in all the working of the Company along with the functional heads.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	Mr. Sachin Menon is part of promoter group of the Company.

III. Other Information :

1.	Reasons of loss or inadequate profits	As on the date of re-appointment of the Mr. Sachin Menon the Company has adequate profit but considering the nature of business, the Company is proposing the resolutions to be passed as Special Resolution. The minimum remuneration is proposed to be paid as per the standards of the Industry.
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 as well as profitability is likely increase in coming years.

IV. Disclosures – Refer Corporate Governance Report

DIRECTORS' REPORT

To,
The Members of Menon Pistons Limited

The Directors' take pleasure in presenting the 43rd Annual Report together with the audited financial statements for the year ended 31st March 2020. The Management Discussion and Analysis Report have also been incorporated into this report.

Directors have tried to maintain coherence in disclosures and flow of the information by clubbing required information topic-wise and thus certain information which is required in Directors' Report is clubbed elsewhere and has to be read as a part of Directors' Report.

FINANCIAL HIGHLIGHTS:

(Rs. in Lakhs)

Particulars	Current Year 2019-2020	Previous Year 2018-2019
Revenue from Operations (Net)	11775.06	15610.12
Other Income	42.92	68.45
Profit before Depreciation & Amortisation Expenses, Finance Cost and Tax	1115.88	1929.13
Less: Depreciation & Amortisation Expenses	533.15	483.11
Finance Cost	26.16	42.12
Profit Before Tax	556.57	1403.90
Less: Tax Expenses	117.99	396.30
Profit After Tax	438.58	1007.60
Other Comprehensive Income	(12.92)	(14.67)
Total Comprehensive income	425.66	992.93
Balance of profit /loss for earlier years	5304.57	4780.54
Less: Transferred to General Reserve	-	(100.00)
Less: Dividend on Equity Shares (including Interim Dividend)	(612.00)	(306.00)
Less: Dividend Distribution Tax (including Interim Dividend)	(125.80)	(62.90)
Less: Net Impact on account of adoption of Ind AS-116 (Net of Tax)	(2.77)	-
Balance Carried Forward	4989.66	5304.57

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK:

Even after economic slowdown in global as well as domestic market, the company was achieving steady growth till end of Feb 2020. But due to outbreak of Covid-19, entire country was under lockdown and our March end sale & profitability affected badly.

In spite of all this pressing adverse conditions, the company has achieved turnover of Rs.118 Crores as compared to Rs.157 Crores in the previous financial year. The company is taking necessary steps to perform better in the current financial year. We have already lost 2 months productivity and sale in the current financial year also due to lockdown in the country.

Due to this lockdown, the company could not complete final processing / packing /dispatch of its goods scheduled during this period resulting into higher levels of inventories and lower than expected revenue for FY March 31, 2020. Due to closure of some of the customer plants / offices and difficulty in international shipments and port operations during this period, some of the receivable collection was also impacted resulting in higher receivables as on March 31, 2020.

Company has not availed moratorium allowed by RBI for payment of its debt obligations and continues to service its debt on time. Company has adequate liquidity in the form of cash and unutilised credit lines for meeting its fund requirements.

The future impact of COVID -19 on the operations and financials of the Company depends on future developments that are uncertain and un-predictable. The company is continuously monitoring the economic conditions and has outlined certain measures to combat the pandemic situation and to minimize the impact on its business.

TRANSFER TO RESERVES:

The Board of Director of your Company has decided not to transfer any amount to the reserves for the year under review.

DIVIDEND:

The Board of Directors of your company after considering the company' performance and financial position has declared and paid interim dividend of Re. 0.45/- per equity shares of the face value of Re.1/- each (i.e. 45%) during the financial year 2019-20. The total outgo amounts to Rs. 2,29,50,000/- (Rupees Two Crores Twenty Nine Lakh Fifty Thousand only) and dividend distribution tax of Rs. 47,17,440/- (Rupees Forty Seven Lakh Seventeen Thousand Four Hundred Forty only).

CHANGE IN NATURE OF BUSINESS, IF ANY:

During the year there was no change in the nature of business of the Company

SHARE CAPITAL OF THE COMPANY:

The paid up equity share capital as on 31st March 2020 was Rs. 510 Lakhs. During the year there was no public issue, rights issue, bonus issue or preferential issue etc. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

PUBLIC DEPOSITS:

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES:

The Company has no Subsidiary/Joint Ventures/Associate Companies. The Company also does not have any holding Company.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

CREDIT RATINGS:

The following table provides information of the credit rating of Menon Pistons Limited from "CARE" ratings agency.

Facilities	Amount (In Crores)	Rating
Cash Credit facilities - Fund Based	18*	CARE BBB+ (Stable)
Packing Credit facilities - Fund Based	02	CARE A2
Bank Guarantee facilities - Non Fund Based	01	CARE BBB+ (Stable)

* Cash Credit facilities reduced to Rs. 15 Crores during the year.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company has made the necessary disclosures in this Report in terms of Section 134 (3) of the Companies Act, 2013 read with Rules 8 of the Companies (Accounts) Rules, 2014. The Company has always strived to optimize energy consumption. Details of the same are provided in **Annexure - 1**.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

All related party transactions which were entered into during the financial year were on an arm's length basis and in the ordinary course of business. All Related Party Transactions are placed before the Audit Committee for their approval and to the Board, as and when required.

The policy on Related Party Transactions as approved by the Board of Directors is uploaded on the Company's website, i.e. www.menonpistons.com. Pursuant to the provisions of Section - 134 (3) (h) of the Companies Act, 2013 the particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013 and prescribed in Form AOC-2 of the Companies (Accounts) Rules, 2014, are appended as **Annexure - 2** to this report.

Related Party Transactions during the year have been disclosed as a part of Financial Statements as required under Indian Accounting Standards issued by the Institute of Chartered Accountants of India. The approval of the members is sought by way of an ordinary resolution for the further related party transactions which are at Arms Length and Ordinary Course of business at the 42nd AGM as per provisions of Section 188 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

DIRECTORS AND KEY MANAGERIAL PERSONNEL:**a) Appointment / Re-appointment**

- Mrs. Sadhana Zadbuke, an Independent Director completed her tenure on 01st November, 2019. Considering her integrity & experience, the board has re-appointed her for second term of 1 year, subject to approval of members of the Company in the 43rd Annual General Meeting.
- As recommended by Nomination and Remuneration Committee, Mr. Sachin Menon has been re-appointed as a Chairman & Managing Director of the Company w.e.f. 01st February, 2020 for a period of 3 (three) year, subject to approval of members of the Company in the 43rd Annual General Meeting of the Company.
- Mr. Shrikant Sambhoos was appointed to the Board as an Additional Director (Independent & Non-Executive category) w.e.f. 11th March, 2020 for a period of 3 (three) year, subject to approval of members of the Company in the 43rd Annual General Meeting of the Company.
- Further Mr. Sachin Menon who retires by rotation at ensuing Annual General Meeting and being eligible offers himself for re-appointment.

b) Cessation

During the year there is no any cessation in the office of the board of directors. Mrs. Sadhana Zadbuke, an Independent Director completed her tenure on 01st November, 2019 & re-appointed for the further period of one year i.e. upto 01st November, 2020.

c) Committees of the Board:

The Board of Directors have constituted committees in order to effectively cater its duties towards diversified role under “the Act” and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). Details of the constitution, terms of references of each committee and number of meetings attended by individual director etc. are provided in the Corporate Governance Report.

d) Policy on Director's Appointment and Remuneration:

The Policy of the Company on Director's Appointment and Remuneration including criteria for determining qualifications, positive attributes, independence of the directors and other matters provided under Section 178 (3) of the Act and Listing Regulations adopted by the Board and details of the remuneration paid to the Board of Directors are provided in the Corporate Governance Report. We affirm that the remuneration paid to the Directors is as per the terms laid down in the Nomination and Remuneration Policy of the Company.

e) Board Performance Evaluation Mechanism:

Pursuant to the provisions of “the Act” and Listing Regulations, the Board has carried out the annual performance evaluation. Details of the evaluation mechanism are provided in the Corporate Governance Report. A meeting of Independent Directors was held on 29th January 2020 for evaluation of Board performance.

f) Declarations from the Independent Directors:

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Act and Listing Regulations.

g) Key Managerial Personnel:

The Key Managerial Personnel of the Company as per Section 2(51) and 203 of the Act are as follows:

Mr. Sachin Menon	Chairman & Managing Director
Mr. S B P Kulkarni	CFO & Associate Vice President
Mr. Pramod Suryavanshi	Company Secretary & Compliance Officer

NUMBER OF MEETINGS OF THE BOARD:

A calendar of meetings is prepared and circulated in advance to the Directors. During the year Five (5) board meetings were convened and held the details of which are given in the Corporate Governance Report. The intervening gap between the meetings was within the period prescribed under “the Act”, Secretarial Standards issued by the ICSI and Listing Regulations.

PARTICULARS OF LOAN, GUARANTEES, INVESTMENTS:

Loans, guarantees and investments covered under Section 186 of the Act form part of the notes to the financial statements provided in this Annual Report. (Refer notes 2 and 8 of the financial statements)

MANAGEMENT DISCUSSION & ANALYSIS AND CORPORATE GOVERNANCE REPORT:

As per Regulation 34 (2) (e) of Listing Regulations, the Management Discussion and Analysis Report and the Corporate Governance Report is appended as a part of Annual Report. The Company has obtained a

Certificate from the Statutory Auditors confirming compliance with conditions of the Code of Corporate Governance as stipulated in Schedule V (E) of Listing Regulations and the same forms part of this Annual Report.

EXTRACT OF THE ANNUAL RETURN:

Extract of the Annual Return as prescribed under Section 92 (3) of the Companies Act, 2013 in the Form MGT-9 is appended as **Annexure - 3** which forms part of this Report. Further the copy of annual return will be placed on the website of the company i.e. www.menonpistons.com under Investor Relations segment.

RISK MANAGEMENT:

Business risk evaluation and management is an ongoing process within the organization. The Company has a robust risk management framework to identify, monitor and minimize risks as also identify business opportunities. As a process, the risks associated with the business are identified and prioritized based on severity, likelihood and effectiveness of current detection. Such risks are reviewed by the Risk Management Committee on a quarterly basis.

ADEQUACY OF INTERNAL FINANCIAL CONTROL:

The Board is responsible for establishing and maintaining adequate internal financial control as per Section 134 of the Act. The Board has laid down policies and processes in respect of internal financial controls and such internal financial controls were adequate and were operating effectively. The internal financial controls covered the policies and procedures adopted by your Company for ensuring orderly and efficient conduct of business including adherence to your Company's policies, safeguarding of the assets of your Company, prevention and detection of fraud and errors, accuracy and completeness of accounting records and timely preparation of reliable financial information.

VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has a Whistle Blower Policy which provides adequate safeguards against victimization of persons who may blow whistle. Protected disclosures can be made by a whistle blower through an email or dedicated telephone line or letter to the Managing Director of the Company or Letter to the Chairman of Audit Committee. Whistle Blower Policy may be accessed on the Company's website at the link: <https://www.menonpistons.com/s/Vigil-mechanism-Whistle-blower-policy-MPL.DOCX>.

We affirm that during the financial year 2019-20, no employee or director was denied access to the Audit Committee.

INFORMATION UNDER THE SEXUAL HARRASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has constituted Internal Complaints Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, comprising of senior executives of the Company. During the year 2019-20 there was no complaint received before the committee.

CODE OF CONDUCT COMPLIANCE:

A declaration signed by the Chairman & Managing Director affirming compliance with the Company's Code of Conduct by the Directors and Senior Management for the financial year 2019-20 as required by Schedule V (D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included in the Corporate Governance Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134 (3) (c) 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) the directors 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, 2020 and of the profit of the company for that period;
- c) the directors 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) the directors have prepared the annual accounts on a going concern basis;
- e) the directors 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) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

PARTICULARS OF REMUNERATION OF DIRECTORS / KMP / EMPLOYEES:

The table containing the names and other particulars of employees in accordance with the provisions of Section 197 (12) of the Act, read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as **Annexure - 4** which forms part of this Report.

INDUSTRIAL RELATIONS:

During the year Industrial relations at the Company's plants continue to be cordial. The Company has taken initiative for safety of employees and implemented regular safety, imparted machine safety training, wearing protective equipment etc.

AUDITORS:

a) STATUTORY AUDITORS:

The Statutory Auditors M/s. P. G. Bhagwat, Chartered Accountants, Pune, (FRN-101118W) were appointed for the period of 5 consecutive years at the 40th AGM of the Company. The Companies Act, 2013 was amended to remove the provisions related to ratification of the Auditors and therefore there is no requirement of ratification of Auditors of the Company.

No adverse remarks/comments/observations are made by the Statutory Auditors in their report for the year ended 31st March, 2020.

During the year under review, the Statutory Auditors had not reported any fraud under Section 143(12) of the Act, therefore no detail is to be disclosed as required under Section 134 (3)(ca) of the Act.

b) INTERNAL AUDITOR:

Mr. Abhay Golwalkar, Chartered Accountant, Kolhapur was appointed to conduct the internal audit of the Company for the financial year 2019-20, as required under Section 138 of the Act 2013 and the Companies (Accounts) Rules, 2014.



The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board and also to the Managing Director. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Recommendations along with corrective actions thereon are presented to the Audit Committee and accordingly implementation has been carried out by the process owners.

c) SECRETARIAL AUDITORS:

M/s. DVD & Associates, Company Secretaries, Pune was appointed to conduct the Secretarial Audit of the Company for the financial year 2019-20, as required under Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Secretarial Audit Report in Form MR-3 for financial year 2019-20 is appended which forms part of this Directors Report as **Annexure-5.**

The Company has received the Annual Secretarial Compliance Report from M/s. DVD & Associates, Company Secretaries, Pune as per the provisions of Regulation 24 A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is appended which forms part of this Directors Report as **Annexure - 6.**

There are no qualifications, reservations, adverse remarks or disclaimers made by the Secretarial Auditors in their report.

d) COST AUDITORS:

Pursuant to Section 148 of the Act read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit records maintained by the Company in respect of its manufacturing activity is required to be audited. Your Directors had, on the recommendation of the Audit Committee, appointed M/s. C S Adawadkar & Co., Cost Accountants, Pune to audit the cost accounts of the company for the financial year 2020-21 on a remuneration of Rs.1.50 Lakhs.

As required under the Act the remuneration payable to the cost auditor is required to be placed before the members at a general meeting for their determination. Accordingly, a resolution seeking member's determination for the remuneration payable to M/s. C S Adawadkar & Co., Cost Accountants, Pune is included at Item No.4 of the notice convening the AGM. The Cost Audit Report does not contain any qualification, reservation or adverse remark.

SECRETARIAL STANDARDS:

The Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India (ICSI). The Company has devised proper systems to ensure compliance with its provisions and is in compliance with the same

CORPORATE SOCIAL RESPONSIBILITY POLICY AND ITS REPORT:

The Board of Directors of the Company has constituted the Corporate Social Responsibility Committee (CSR Committee), as per the requirement of the Section 135 of "the Act" read with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The said Committee has formulated the CSR Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the frame work of the CSR

Policy and recommending the amount to be spent on CSR activities. Additionally, the CSR Policy has been uploaded on the website of the Company at www.menonpistons.com. During the year 2019-20, the Company has contributed Rs.25,73,777/- towards Corporate Social Responsibility by way of contribution to eligible charitable institutions and Company has spent for promotion of education, health care, poverty upliftment, social welfare, women empowerment. The details as per the provisions of Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 are annexed herewith as **Annexure - 7**.

ACKNOWLEDGMENT:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, government authorities, customers, vendors and members during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

By Order of the Board
For Menon Pistons Limited

Place : Kolhapur
Date : 16.06.2020

Sachin Menon
Chairman & Managing Director
DIN: 00134488

ANNEXURE - 1

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

[Pursuant to Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A	Conservation of Energy :	
	<p>(i) The steps taken or impact on conservation of energy</p> <p>(ii) The steps taken by the company for utilizing alternate sources of energy</p> <p>(iii) The capital investment on energy conservation equipments;</p>	<p>During the year your Company had implemented various steps to control the power cost in foundry, which is a major, contributor for power cost. We have changed the layout of machines and holding furnace to achieve better productivity and reduce power cost.</p>
B	Technology absorption :	
	<p>(i) The efforts made towards technology absorption and R & D.</p>	<p>Updation of technology and R & D is a continuous process, the Company has successfully absorbed the technology for the manufacture of piston assembly.</p>
	<p>(ii) The benefits derived like product improvement, cost reduction, product development or import substitution.</p>	<p>The Company has been able to successfully develop new products by virtue of technology absorption, adaptation and innovation. Customer's satisfaction and new business opportunities because of cost, quality, productivity, process flow and speed. Existing as well as new customers are approaching for upgradation in their existing engine designs.</p>
	<p>(iii) Expenditure incurred on Research & Development</p>	<p>It is continuous process to develop new products as per requirements of customers.</p>
C	Foreign Exchange Earnings & Outgo:	
	<p>(i) The foreign exchange earned in terms of actual inflows during the year:</p>	Rs.NIL
	<p>(ii) The foreign exchange outflow in terms of actual outflow during the year:</p>	Rs. 1,18,49,701.69/-

By Order of the Board
For Menon Pistons Limited

Sachin Menon
Chairman & Managing Director
DIN: 00134488

Place : Kolhapur
Date : 16.06.2020

ANNEXURE - 2

FORM AOC-2

(Pursuant to Section 134 (3) (h) the Companies Act, 2013 and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms-length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis: Nil
2. Details of material contracts or arrangement or transactions at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship:
 - (b) Nature of contracts/arrangements/transactions:

Sr. No.	Name of related parties	Nature of relationship	Nature of transaction
1.	Menon Piston Rings Pvt. Ltd.	A private Company in which Mr. Sachin Menon and Mr. R.D. Dixit are directors.	To purchase piston rings from MPR and to sale raw material to them for manufacturing of piston rings.
2.	Menon Engineering Services	A partnership firm in which Mr. Sachin Menon is a partner.	To receive services from MES relating to machining, polishing and finishing required in the manufacture of Pistons.
3..	Menon Exports	A partnership firm in which Mr. Sachin Menon is partner.	Sale of pistons, piston pins and piston rings to Menon Exports.
4.	Mr. Sachin Menon	Promoter & Managing Director of the Company.	Immovable property has given on rent to the Company.
5.	Mrs. Gayatri Menon	Spouse of Mr. Sachin Menon, Managing Director and Promoter of the Company.	Immovable property has given on rent to the Company.
6.	Ms. Sharanya Menon	Daughter of Mr. Sachin Menon, Managing Director and Promoter of the Company	Salary at arms length for the financial year 2019-20

- (c) Duration of the contracts/arrangements/transactions: For five years till 31.03.2024
- (d) Salient terms of the contracts/arrangements/transactions including the value, if any terms of the contract conform to the prevailing market rates and all the care has been taken to ensure reasonability of prices as compared to the prevailing rates in the market better quality products and timely supplies.

(e) Justification for entering into such contracts/arrangements/transactions.

It is ensured that the contract with the Contracting party is advantageous to the Company and its stakeholders. The Company intends to ensure following aspects by dealing with contracting parties:

i) Advantages by dealing with Menon Piston Rings Private Limited & Menon Engineering Services are:

- **Cost reduction:** Greater control on the inputs processing by the contractee party thereby ensuring cost reduction.
- **In-time delivery:** To ensure timely supplies of materials thereby ensure smooth production flow.
- **Flexibility:** To ensure flexibility in production system, thereby maximizing the sales.
- **Locational Advantages:** To ensure that the supplies are located close to the works thereby ensuring faster delivery.
- **Direct access to quality enhancement of input process:** Control on the production and quality system of the contractee

parties, thereby ensure better quality inputs for the company.

ii) Advantages by dealing with Menon Exports:

The firm is looking after the export activities. They are having good network of offices and agents overseas. They are very conversant with overseas market. This type of relationship is beneficial to the company and its shareholders.

(f) **Date(s) of approval by the Board of Directors:** All the quarterly meetings held during the financial year 2019-20.

(g) **Amount paid as advances, if any:** Disclosed in **Note 36b** to the Standalone Financial Statement.

3. The details of all related party transactions as per Indian Accounting Standards have been disclosed in **Note 36** to the Standalone Financial Statement.

By Order of the Board
For Menon Pistons Limited

Sachin Menon
Chairman & Managing Director
DIN: 00134488

Place : Kolhapur
Date : 16.06.2020

ANNEXURE - 3

FORM NO. MGT - 9 EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2020

[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	L34300MH1977PLC019823
2.	Registration Date	25.08.1977
3.	Name of the Company	Menon Pistons Limited
4.	Category/Sub-Category of the Company	Company limited by shares / Indian Non-Govt. Co.
5.	Address of the Registered office & contact Details	182, Shirol, Kolhapur - 416122 Telephone: 91-230 - 2468041/2468042 Website: www.menonpistons.com Email: cs@menonpistons.com
6.	Whether listed Company (Yes/No):-	Yes
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Link Intime India Private Limited, Block No. 202, "Akshay Complex", 2nd Floor, Near Ganesh Temple, Off Dhole Patil Road, Pune – 411 001. Telephone:-020-26161629 Fax Number:- 020-26163503 Email: pune@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.	Piston/Piston Assemblies	2811,2910,2930	91.25
2.	Gudgeon Pins, Auto Shafts	2930	8.75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company does not have any holding, subsidiary, associate, joint venture company of its own.

Sr. No.	Name and address of the Company	CIN/GLN	Holding/Subsidiary / Associate	% of shares held	Applicable Section
	N.A.	N.A.	N.A.	N.A.	N.A.



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

a) 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 Shareholding									
1. Indian									
a. Individual/ HUF	34270480	-	34270480	67.1970	34270480	-	34270480	67.1970	0.00
b. Central Govt.	-	-	-	-	-	-	-	-	-
c. State Govt.	-	-	-	-	-	-	-	-	-
d. Bodies Corp.	3657430	-	3657430	7.1714	3657430	-	3657430	7.1714	0.00
e. Bank/ FI	-	-	-	-	-	-	-	-	-
f. Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A) (1):-	37927910	-	37927910	74.3685	37927910	-	37927910	74.3685	0.00
2. Foreign									
a. NRI- Individual	-	-	-	-	-	-	-	-	-
b. Government	-	-	-	-	-	-	-	-	-
c. Body Corporate	-	-	-	-	-	-	-	-	-
d. Bank/ FI	-	-	-	-	-	-	-	-	-
e. Any Others	-	-	-	-	-	-	-	-	-
Sub-total(A) (2):-	-	-	-	-	-	-	-	-	-
Total Share Holding of Promoters A (1+2)	37927910	-	37927910	74.3685	37927910	-	37927910	74.3685	0.00
B. Public Shareholding									
1. Institution									
a. Mutual Funds	-	-	-	-	-	-	-	-	-
b. Venture Capital Fund	-	-	-	-	-	-	-	-	-
c. Alternate Invest. Fund	-	-	-	-	-	-	-	-	-
d. Foreign Venture Capital ventures	-	-	-	-	-	-	-	-	-
e. Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
f. Bank/FI	-	6000	6000	0.0118	-	-	-	-	-0.0118
g. Insurance Co.	-	-	-	-	-	-	-	-	-
h. Others	-	-	-	-	-	-	-	-	-
Sub-total (B1)		6000	6000	0.0118	-	-	-	-	-0.0118
2. Central Govt./State Govt./President of India	-	-	-	-	-	-	-	-	-
Sub-total (B2)	-	-	-	-	-	-	-	-	-
3. Non-Institutions									
a. Individual									
i. Individual shareholders holding nominal share capital upto Rs. 1 Lakh	7835623	942550	8778173	17.2121	8129265	704290	8833555	17.3207	0.1086

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	
ii. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	2581683	-	2581683	5.0621	2450174	-	2450174	4.8043	-0.2578
b. NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
c. Overseas Depositories	-	-	-	-	-	-	-	-	-
d. Any others									
1. HUF	710227	-	710227	1.3926	705733	-	705733	1.3838	-0.0088
2. NRI (Non-Repat)	36912	-	36912	0.0724	34700	-	34700	0.0680	-0.0044
3. NRI (Repat)	93172	-	93172	0.1827	98557	-	98557	0.1932	-0.0105
4. Office bearers	-	4500	4500	0.0088	-	4500	4500	0.0088	-0.0000
5. Clearing member	33598	-	33598	0.0659	12466	-	12466	0.0244	-0.0415
6. Body Corporate	764825	63000	827825	1.6232	689885	29000	718885	1.4096	-0.2136
7. IEPF authority	-	-	-	-	213520	-	213520	0.4187	0.4187
Sub-total (B3)	12056040	1010050	13066090	25.6198	12334300	737790	13072090	25.6315	0.0117
Total Public Shareholding B= (1+2+3)	12056040	1016050	13072090	25.6315	12334300	737790	13072090	25.6315	0.0000
C. Shares held by Custodians for GDR's and ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	49983950	1016050	51000000	100.00	50262210	737790	51000000	100.00	0.00

b) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 2019			Shareholding at the end of the year 2020			% Change in shareholding during the year
		No. of Shares Held	% of total shares of the company	% of shares Pledged/encumbered to total shares	No. of Shares Held	% of total shares of the company	% of shares Pledged/encumbered to total shares	
1	Sachin Ram Menon	10701660	20.9836	0.00	10701660	20.9836	0.00	0.00
2	Gayatri Sachin Menon	7242832	14.2016	0.00	7242832	14.2016	0.00	0.00
3	Smt. Radhamani Ram Menon	2565620	5.0306	0.00	3700000	7.2549	0.00	2.2243
4	Late Mr. Ram Menon	1134380	2.2243	0.00	-	-	0.00	-2.2243
5	Sharanya Sachin Menon	4208664	8.2523	0.00	4208664	8.2523	0.00	0.00
6	Devika Sachin Menon	4208664	8.2523	0.00	4208664	8.2523	0.00	0.00
7	Nivedita Sachin Menon	4208660	8.2523	0.00	4208660	8.2523	0.00	0.00
8	Menon Metals and Alloys LLP	3657430	7.1714	0.00	3657430	7.1714	0.00	0.00
	Total	37927910	74.3684	0.00	37927910	74.3684	0.00	0.00

c) Change in Promoters' shareholding (please specify, if there is no change):

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year		Transaction during the year		Cumulative Shareholding at the end of the year	
		No. of Shares Held	% of Total Shares	Date of Transaction	No. of Shares	No. of Shares Held	% of Total Shares
1	Late Mr. Ram Menon						
	Transmission	1134380	2.2243	09.10.2019	-1134380	-	-
2	Smt. Radhamani Ram Menon						
	Transmission from Mr. Ram Menon	2565620	5.0306	09.10.2019	1134380	3700000	7.2549

d) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRS and ADRS) as on 31.03.2020:

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year 2019		Transactions during the year		Cumulative Shareholding at the end of the year 2020	
		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	Vatsala P Nair	1098000	2.1529				
	At the end of the year					1098000	2.1529
2	KJMC Financial Services Ltd	264393	0.05184				
	Transfer			13 Dec 2019	500	264893	0.5194
	Transfer			20 Dec 2019	(1601)	263292	0.5163
	Transfer			27 Dec 2019	(533)	262759	0.5152
	Transfer			31 Dec 2019	(5021)	257738	0.5054
	Transfer			03 Jan 2020	(5000)	252738	0.4956
	Transfer			10 Jan 2020	(502)	252236	0.4946
	Transfer			17 Jan 2020	(2265)	249971	0.4901
	Transfer			31 Jan 2020	(403)	249568	0.4893
	At the end of the year					249568	0.4893
3	Nidhi Jawahar	203282	0.3986				
	Transfer			17 May 2019	5160	208442	0.4087
	Transfer			24 May 2019	5000	213442	0.4185
	Transfer			31 May 2019	10000	223442	0.4381
	Transfer			07 Jun 2019	10439	233881	0.4586
	Transfer			21 Jun 2019	4035	237916	0.4665
	At the end of the year					237916	0.4665
4	Investor Education and Protection Fund Authority	-	-				
	Transfer			18 Apr 2019	162520	162520	0.3186
	Transfer			19 Apr 2019	6000	168520	0.3304
	Transfer			26 Jun 2019	29500	198020	0.3882
	Transfer			27 Dec 2019	15500	213520	0.4187
	At the end of the year					213520	0.4187

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		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
5	Namitta Shirish Oswal	211551	0.4148				
	At the end of the year					211551	0.4148
6	Ajinkya Electromelt Pvt Ltd.	172260	0.3378				
	Transfer			13 Mar 2020	10764	183024	0.3589
	Transfer			20 Mar 2020	5406	188430	0.3695
	Transfer			27 Mar 2020	7200	195630	0.3836
	At the end of the year					195630	0.3836
7	Reena Chaturvedi	176000	0.3451				
	At the end of the year					176000	0.3451
8	Desai Pallavkumar Saubhagyachandra	150000	0.2941				
	At the end of the year					150000	0.2941
9	Yogeshchandra Manohar Neve	88090	0.1727				
	Transfer			05 Apr 2019	2500	90590	0.1776
	Transfer			12 Apr 2019	2000	92590	0.1815
	Transfer			26 Apr 2019	1249	93839	0.1840
	Transfer			03 May 2019	700	94539	0.1854
	Transfer			10 May 2019	300	94839	0.1860
	Transfer			17 May 2019	2307	97146	0.1905
	Transfer			24 May 2019	3550	100696	0.1974
	Transfer			31 May 2019	2529	103225	0.2024
	Transfer			07 Jun 2019	5683	108908	0.2135
	Transfer			14 Jun 2019	3461	112369	0.2203
	Transfer			21 Jun 2019	814	113183	0.2219
	Transfer			29 Jun 2019	1248	114431	0.2244
	Transfer			05 Jul 2019	1000	115431	0.2263
	Transfer			12 Jul 2019	1505	116936	0.2293
	Transfer			19 Jul 2019	60	116996	0.2294
	Transfer			26 Jul 2019	1200	118196	0.2318
	Transfer			02 Aug 2019	300	118496	0.2323
	Transfer			09 Aug 2019	1000	119496	0.2343
	Transfer			27 Sep 2019	4095	123591	0.2423
	Transfer			04 Oct 2019	1689	125280	0.2456
	Transfer			11 Oct 2019	421	125701	0.2465
	Transfer			18 Oct 2019	700	126401	0.2478
	Transfer			22 Nov 2019	210	126611	0.2483
	Transfer			29 Nov 2019	555	127166	0.2493
	Transfer			06 Dec 2019	(1001)	126165	0.2474

Sr. No	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		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
	Transfer			31 Dec 2019	(4301)	121864	0.2389
	Transfer			03 Jan 2020	(1500)	120364	0.2360
	Transfer			10 Jan 2020	(653)	119711	0.2347
	Transfer			17 Jan 2020	(1000)	118711	0.2328
	Transfer			07 Feb 2020	1701	120412	0.2361
	Transfer			21 Feb 2020	600	121012	0.2373
	Transfer			06 Mar 2020	875	121887	0.2390
	Transfer			13 Mar 2020	1385	123272	0.2417
	Transfer			20 Mar 2020	800	124072	0.2433
	Transfer					124072	0.2433
10	Faria Kishor Bhanji	122528	0.2403				
	Transfer			31 May 2019	5	122533	0.2403
	Transfer			05 Jul 2019	375	122908	0.2410
	At the end of the year					122908	0.2410

e) Shareholding of Directors and Key Managerial Personnel:

Sr. No	Name of the Director/KMP	No. of Shares	% of total shares of the company	Changes during the year		No. of Shares	% of total shares of the company
				Nos. of Shares	% of total shares		
1.	Mr. Sachin Menon	10701660	20.98	-	-	10701660	20.98
2.	Mr. R. D. Dixit	13980	0.03	-	-	13980	0.03
3.	Mr. Ajit Kumar Belur	-	-	-	-	-	-
4.	Mr. Subhash Kutte	-	-	-	-	-	-
5.	Mrs. Sadhana Zadbuke	-	-	-	-	-	-
6.	Mr. Shrikant Sambhoos*	-	-	-	-	-	-
7.	Mr. S. B. P. Kulkarni	5500	0.010	-	-	5500	0.010
8.	Mr. Pramod Suryavanshi	-	-	-	-	-	-

* Director w.e.f. 11.03.2020

V. INDEBTEDNESS:

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

(Amount in Lakhs)

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01.04.2019				
1) Principal Amount	247.25	-	-	247.25
2) Interest due but not paid	-	-	-	-
3) Interest accrued but not due	(2.42)	-	-	(2.42)
Total of (1+2+3)	244.83	-	-	244.83
Change in Indebtedness during the financial year				
+ Addition	159.39	-	-	159.39
- Reduction	-	-	-	-
Net change	159.39	-	-	159.39

Particulars	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the end of the financial year 31-03-2020				
1) Principal Amount	404.22	-	-	404.22
2) Interest due but not paid		-	-	-
3) Interest accrued but not due	(1.38)	-	-	(1.38)
Total of (1+2+3)	402.84	-	-	402.84

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Amount in Lakhs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Chairman & Managing Director		
		Mr. Sachin Ram Menon		
1.	Gross Salary			
	(a) Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	74.95		74.95
	(b) Value of Perquisites under Section 17 (2) of the Income Tax Act, 1961	10.65		10.65
	(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 - Sitting Fees	0.05		0.05
	Total	85.65		85.65
	Ceiling as per the Act:	As per section 197 a Company having profits in a financial year may pay remuneration to a managerial person not exceeding eleven percent of the net profit of the Company. The appointment and remuneration was according to the shareholders approval.		

B. Remuneration to other Directors:

(Amount in Rs.)

Sr. No	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. R. D. Dixit	Mr. Ajitkumar Belur	Mr. Subhash Kutte	Mrs. Sadhana Zadbuke	
1	Independent Directors					
	- Fee for attending Board/ Committee Meetings	-	5,000	5,000	5,000	15,000
	- Commission	-	-	-	-	-
	- Others	-	-	-	-	-
	Total (1)	-	5,000	5,000	5,000	15,000
2	Other Non Executive Directors					
	- Fee for attending Board / Committee Meetings	5,000	-	-	-	5,000

- Commission	-	-	-	-	-
- Others	-	-	-	-	-
Total (2)	5,000	-	-	-	5,000
Total (B)= (1+2)	5,000	5,000	5,000	5,000	20,000
Overall Ceiling as per the Act	The sitting fees are excluded from managerial remuneration but the maximum sitting fees may be paid is Rs.1,00,000/- per meeting.				

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

Sr. No	Particulars of Remuneration	Name of the KMP		Total Amount (In Lakhs)
		CFO	Company Secretary	
		Mr. S.B.P. Kulkarni	Mr. Pramod Suryavanshi	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	20.55	3.32	23.87
	(b) Value of perquisites u/s17(2) of the Income Tax Act, 1961	2.41	0.32	2.73
	(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	22.96	3.64	26.60

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NA

By Order of the Board
For Menon Pistons Limited

Place : Kolhapur
Date : 16.06.2020

Sachin Menon
Chairman & Managing Director
DIN: 00134488

ANNEXURE - 4

**PURSUANT TO THE PROVISIONS OF SECTION 197 (12) OF THE COMPANIES ACT,
2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF
MANAGERIAL PERSONNEL) RULES, 2014**

Median Remuneration of the employees of the company for the financial year is Rs.3,06,917.50/-

I)	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year ending 31 st March, 2020:	
Sr. No	Name of the Director	Ratio of remuneration to the median remuneration of the employees
1	Mr. Sachin Menon	27.89
2	Mr. R. D. Dixit	0.01
3	Mr. Ajitkumar Belur	0.01
4	Mr. Subhash Kutte	0.01
5	Mrs. Sadhana Zadbuke	0.01
6	Mr. Shrikant Sambhoos	-

II)	The percentage increase in remuneration of each Director, CFO, CS or Manager if any for the financial year ending 31 st March, 2020:	
Sr. No	Name of the Director, CFO, CS or Manager	% Increase over last Financial Year
1	Mr. Sachin Menon	7.51
2	Mr. R. D. Dixit	0.00
3	Mr. Ajitkumar Belur	0.00
4	Mr. Subhash Kutte	0.00
5	Mrs. Sadhana Zadbuke	0.00
6	Mr. Shrikant Sambhoos	0.00
7	Mr. S.B.P. Kulkarni - CFO	13.53
8	Mr. Pramod Suryavanshi - CS	22.90

- III) The percentage increase in the median remuneration of employees in the financial year ending 31st March, 2020:- 0.05 %
- IV) The Number of permanent employees on the rolls of the Company: 396
- V) The average percentage increase in the salaries of employees excluding Key Managerial Personnel was 5.38 % over the previous year. The average increase in the salaries of Key Managerial Personnel was 14.65%. The increase in KMP remuneration was based on the recommendations of the Nomination & Remuneration Committee to revise the remuneration as per Industry Benchmark.
- VI) There are no employees getting remuneration higher than that of the MD.
- VII) It is affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other employees

VIII) Name of the top ten employees in terms of remuneration drawn & the particulars required u/s 197(12) read with rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014									
Sr. No	Name	Designation	Remuneration (Gross Amt.) (Rs. in Lakhs)	Nature of employment, whether contractual or otherwise	Qualification & Experience in years	Date of Commencement of employment	Age (in years)	Last employment held before joining the Company	The % of equity shares held by the employee
1.	Sachin Menon	Chairman & Managing Director	85.65	Permanent	BE / 35	01-08-1984	56	N.A.	20.98
2.	Amit Arun Deshpande	GM-Operation	24.59	Permanent	BE / 24	23-07-1996	45	N.A.	0.0007
3.	S B P Kulkarni	CFO & Associate Vice President	22.96	Permanent	B. Com / 53	01-09-2004	74	Birla Group	0.0107
4.	Shailendra Hiralal Hardia	Sr. Manager	10.42	Permanent	B. Com / 28	07-04-2008	49	N.A.	-
5.	Vinay Gupta	Sr. Manager	10.10	Permanent	B. Com / 23	01-04-1998	42	City Wave Link	-
6.	Ranjan Kumar Sinha	Manager	9.00	Permanent	B. Sc / 30	25-03-2019	59	Mahale	-
7.	Anant Shrikant Patil	Manager	7.58	Permanent	AMIE / 26	10-04-1994	57	Jai Hind Eng.	-
8.	Gopichand Gundappa Kumbhoje	Dy. Manager	6.91	Permanent	BE / 11	01-04-2011	37	Auto Part	-
9.	Akhil Suresh Sarnaik	Sr. Asst. Manager	6.87	Permanent	B. Com / 15	01-10-2016	44	In Touch Systems PL	-
10.	Sachin Madhukar Bhosale	Dy. Manager	6.16	Permanent	DIE / 22	23-07-1999	44	KNN Network	-

* No employee is a relative of any director/manager of company.

For Menon Pistons Limited

Place : Kolhapur
Date : 16.06.2020

Sachin Menon
Chairman & Managing Director
DIN: 00134488

Ajitkumar Belur
Chairman of Nomination
& Remuneration Committee
DIN: 00205336

ANNEXURE - 5
FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH 2020

[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 Pistons Limited,
182 Shirol, Kolhapur 416122

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Menon Pistons Limited** (hereinafter called "the Company")

Secretarial Audit was conducted for the year from 1st April, 2019 to 31st March, 2020, in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances of the Company 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 2020 ("Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and legal 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 2020 according to the provisions of the following list of laws and regulations:

- (i) The Companies Act, 2013 (the Act) and the rules made there under,
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- (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 during the Audit Period]**
- (v) The following Regulations 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, 2018 and amendments from time to time; **[Not applicable during the Audit Period]**.
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the Audit Period]**
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **[Not applicable during the Audit Period]**
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the Audit Period]**
 - (g) 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;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **[Not applicable during the Audit Period]**

- (vi) Other applicable laws:
There are no other laws which are specifically applicable to the Company.
- (vii) The Company has a Compliance Management System installed and which is running effectively and efficiently for the Compliances of General Laws as specified by the directives issued by the Institute of Company Secretaries of India. 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 have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

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

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.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda are 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 members' views are captured and recorded as part of the minutes.

**For DVD & Associates
Company Secretaries**

**Place : Pune
Date : 16.06.2020**

**Devendra Deshpande
FCS No. 6099
CP No. 6515
UDIN: F006099B000346340**

Note: 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.

Annexure 'A'

To,
The Members,
Menon Pistons Limited,
182, Shirol,
Kolhapur 416122

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

1. Maintenance of secretarial record 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 provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books 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, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For DVD & Associates
Company Secretaries**

**Devendra Deshpande
FCS No. 6099
CP No. 6515
UDIN: F006099B000346340**

**Place : Pune
Date : 16.06.2020**

ANNEXURE - 6

Annual Secretarial Compliance Report of Menon Pistons Limited for the year ended 31st March, 2020.

We DVD & Associates have examined:

- (a) all the documents and records made available to us and explanation provided by Menon Pistons Limited ("the listed entity"),
- (b) the filings/submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March, 2020 ("Review Period") in respect of compliance with the provisions of:
 - I. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued there under; and
 - II. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made there under and the Regulations, circulars, guidelines issued there under by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued there under, have been examined, include:-

- (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **[Not applicable during the review period]**
- (c) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **[Not applicable during the review period]**
- (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **[Not applicable during the review period]**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **[Not applicable during the review period]**
- (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **[Not applicable during the review period]**
- (h) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015

and based on the above examination, I/We hereby report that, during the Review Period:

- (i) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued there under, except in respect of matters specified below:-

Sr. No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Deviations	Observations/ (Regulations/ Remarks of the Practicing Company Secretary)
NA	NA	NA	NA

- (a) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued there under in so far as it appears from my examination of those records.
- (b) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/guidelines issued there under:

Sr. No.	Action taken by	Details of Violation	Details of action taken	Observations/remarks of the Practicing Company Secretary, if any.
NA	NA	NA	NA	NA

- (c) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports.	Observations made in the secretarial compliance report for the year ended 31.03.2020 (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity.
NA	NA	NA	NA	NA

- (d) There was re-appointment of the Statutory Auditors of the Company during the Financial year and the Company has complied with provisions contained in SEBI Circular CIR/CFD/CMD1/114/2019 dated October 18, 2019

**For DVD & Associates
Company Secretaries**

**Devendra Deshpande
FCS No. 6099
CP No. 6515**

UDIN: F006099B000346441

**Place : Pune
Date : 16.06.2020**



ANNEXURE - 7
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	Detailed policy is being uploaded on the website of the Company i.e. www.menonpistons.com/s/CSR-Policy-MPL-2.pdf
2	The Composition of the CSR Committee.	Details of the same are provided in Report on Corporate Governance enclosed herewith.
3	Average net profit of the company for last three financial years	Rs. 12,20,87,600/-
4	Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)	Rs. 24,41,750/-
5	Details of CSR spent during the financial year. a) Total amount to be spent for the financial year b) Amount unspent, if any c) Manner in which the amount spent during the financial year is detailed below:	a) Rs. 24,41,750/- b) Rs. 0/- c) Company has spent its CSR obligation for promotion of education, health care, poverty upliftment, social welfare, women empowerment. The Company has spent an amount of Rs.25,73,777/- during the year under review which is more than the minimum CSR spending required as per Section 135 of the Act.
6	In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount:	NA
CSR Committee hereby confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.		

For Menon Pistons Limited

Sachin Menon
Chairman & Managing Director
Chairman of CSR Committee
DIN: 00134488

Place : Kolhapur
Date : 16.06.2020

REPORT ON CORPORATE GOVERNANCE

1. CORPORATE GOVERNANCE PHILOSOPHY:

The Directors present the Company's Report on Corporate Governance for the year ended 31st March, 2020. The Company's philosophy is to achieve business excellence and optimize long term values & ethical business conduct for its stakeholders. The Company believes strongly that good corporate governance is intrinsic to the management of the Company affairs; it ensures fairness, transparency and integrity of the management. These values and principles set the context to manage your company's affairs in a fair and transparent manner. In compliance with the disclosure requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the details are set out below:

2. BOARD OF DIRECTORS

a) Composition of Board of Directors:

The Board comprises of 6 (Six) Directors as on 31.03.2020, of which 5 (Five) are Non-Executive Directors. The Board comprises of 4 (Four) Independent Directors i.e. Directors, who apart from receiving sitting fees, do not have any other material pecuniary relationship or transactions with the Company, its promoters or its management which may affect independence of judgment of the Directors.

As required under Section 149(3) of the "the Act", Mrs. Sadhana Zadbuke, a Women Director, is on Board designated as Women Director.

Mr. R D Dixit, is a Non Independent & Non Executive Director.

- Composition of the Board and Directorship held during the year 2019-2020 and meetings attended:

Name of Director	Category	Attendance of meeting during 2019-2020		As on 31st March, 2020 (Excluding position in the Company)			Share-holding of Directors
		Board	AGM	No. of Directorship	Committee [§]		
					Chairman	Member	
Mr. Sachin Menon	Promoter, Chairman & Managing Director	5	1	1	-	1	10701660
Mr. R. D. Dixit @	Non Executive & Non Independent Director	5	1	3	1	3	13980
Mr. Ajitkumar Belur	Non Executive Independent Director	5	1	-	-	-	-
Mr. Subhash Kutte	Non Executive Independent Director	5	1	7	2	1	-
Mrs. Sadhana Zadbuke	Non Executive Independent Director	5	1	-	-	-	-
Mr. Shrikant Sambhoos*	Non Executive Independent Director	-	-	-	-	-	-

[§] Membership/Chairmanship of only the Audit Committee and the Stakeholders' Relationship Committee has been considered.

@ Chairman and Managing Director in Menon Bearings Limited (Listed Company)

* Director w.e.f. 11.03.2020

b) Board meetings held during the year:

The Board met five times during the financial year under review on the following dates:

i) 10.05.2019 ii) 27.07.2019 iii) 23.10.2019 iv) 29.01.2020 v) 11.03.2020

The maximum time gap between any two meetings was not more than one hundred and twenty days.

c) Directors' inter-se relationship:

There is no inter se relation between the Directors of the Companies.

d) Familiarization programme for independent directors:

The Independent Directors of the Company are associated with the Company for many years and are very familiar with the Company. During the year, the management provided various documents, background notes etc. to have a better insight of the Company. Details of initiatives for the director to understand the Company, its business and the regulatory framework in which the Company operates and equips him/her to effectively fulfill his/her role as a director of the Company are available at the website of the Company viz. 'www.menonpistons.com'.

e) Independent Directors:

During the financial year under review, the Independent Directors met on 29th January 2020. The meeting was held to discuss evaluation of the Board and evaluate content/timelines of information flow to effectively perform their duties. Mr. Ajitkumar Belur, Mr. Subhash Kutte and Mrs. Sadhana Zadbuke were present at the meeting. As per the disclosures received from the directors, none of the directors serve as members of more than 10 committees nor are they chairman/chairperson of more than 5 committees, as per the requirements of Listing Regulations.

f) Details of directors and/or KMP appointed during the year:

During the year under review Mr. Subhash Kutte and Mr. Shrikant Sambhoos, has been appointed as an Independent Director of the Company w. e. f. 10th May, 2019 & 11th March, 2020 respectively. Further the tenure of Mrs. Sadhana Zadbuke was completed as on 01st November, 2019, who was reappointed as an Additional Director for second term of one year w.e.f. 02nd November 2019 and her appointment is subject to approval of the shareholders by way of Special Resolution.

g) Key Board qualifications, expertise and attributes

The Board of Menon Pistons Ltd comprises qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to the ensuring that the Menon Board is in compliance with the highest standards of Corporate Governance.

The table below summarizes the key qualification, skills, and attributes which are taken into consideration while nominating candidates to serve on the Board:

Technology	Significant background in technology, resulting in knowledge of how to anticipate technological trends, generates disruptive innovation and extends or create new business model.
Financial	Management of finance functions of an enterprise, resulting in proficiency in complex financial management, capital allocation and financial reporting process or experience in actively supervising accountant, auditor or person performing financial functions.
Leadership	Extended leadership experience for a significant enterprise, resulting in a practical understanding of organizations, processes, strategic planning, and risk management. Strengths in developing talent, planning succession, and driving change and long-term growth.

Board Services and Governance	Service on a public company board to develop insights about maintaining board and management accountability, protecting stakeholder interests, and observing appropriate governance practices.
Sales and Marketing	Experience in developing strategies to grow sales and market share, build brand awareness and equity and enhance enterprise reputation.

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, the absence of a mark against a member's name does not necessarily mean the member does not possess the corresponding qualification or skill.

Name of Director	Technology	Financial	Leadership	Board Services and Governance	Sales and Marketing
Mr. Sachin Menon	√	√	√	√	√
Mr. R D Dixit	√	√	√	√	√
Mr. Ajitkumar Belur	√	√	√	√	√
Mrs. Sadhana Zadbuke		√	√	√	√
Mr. Subhash Kutte		√	√	√	√
Mr. Shrikant Sambhoos*	√	√	√	√	√

* Director w.e.f. 11.03.2020

3. COMMITTEES OF THE BOARD:

As required by “the Act” and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for better governance and accountability, the Board has constituted the following mandatory committees viz. Audit Committee, Nomination and Remuneration Committee, Internal complaint committee, Stakeholders' Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee (voluntarily constituted).

The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time. Meetings of each of these Committees are convened by the respective Chairman of the Committee, who also informs the Board about the summary of discussions held in the Committee Meetings.

A) AUDIT COMMITTEE:

i) Brief description of terms of reference:

The terms of reference of this committee cover the matters specified for the audit committee under Listing Regulations as well as in Section 177 of “the Act”. The audit committee was constituted to ensure prudent financial and accounting practices, fiscal discipline and transparency in financial reporting. The quarterly results are reviewed by the audit committee and recommended to the board for its adoption. The Chairman of the committee is an Independent Director having Knowledge in Finance.

ii) Powers of audit committee:

The Audit Committee has an authority to investigate into any matter in relation to the items specified in terms of reference referred to it by the board and for this purpose the Audit Committee has power to obtain professional advice from external sources and have full access to information contained in the records of the Company.

iii) Role and objectives:

- o Reviewing with the Management the quarterly / half yearly / annual financial statements and auditor's report thereon before submission to the Board for approval;
- o Recommendation for appointment, remuneration, terms of appointment of auditors of the Company;
- o Review and monitor the auditor's independence and performance and effectiveness of audit process;
- o Reviewing with the Management and Internal and Statutory Auditors, the adequacy of internal control systems;
- o Discussion with the Auditors periodically about internal control system;
- o Any significant findings and follow up thereon and reviewing with the management, the financial statements before submission to the Board.
- o The Audit committee also has a role as defined under Regulation 18(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii) Composition and Attendance:

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. Subhash Kutte [Non-Executive & Independent Director]	Chairman	5	5
2	Mr. R. D. Dixit [Non-Executive & Non Independent Director]	Member	5	5
3	Mr. Ajitkumar Belur [Non-Executive & Independent Director]	Member	5	5
4	Mrs. Sadhana Zadbuke [Non-Executive & Independent Director]	Member	5	5

The Company Secretary acts as the Secretary to the committee.

v) Vigil Mechanism / Whistle Blower Policy:

The company has established Vigil Mechanism for Directors and employees to report genuine concerns in such manner as prescribed under rule to "the Act". Under such mechanism adequate safeguards are provided against victimization of persons who has direct access to the chairperson of the Audit committee in appropriate or exceptional cases.

B) NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to Section 178 of the Act and Regulation 19 of the Listing Regulations, the Board of Directors has duly constituted the Nomination & Remuneration Committee

i) Brief description of terms of reference:

The Committee reviews appointment of Directors and Key Managerial Personnels. The Committee has formulated the criteria for determining qualifications, positive attributes and independence of a director.

ii) Roles and objectives:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- Formulation of criteria for evaluation of Independent Directors and the Board.
- Devising a policy on board diversity.

- Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.
- The Nomination & Remuneration Committee also has a role as defined under Regulation 19(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii) Composition and Attendance:

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. Ajitkumar Belur [Non-Executive & Independent Director]	Chairman	5	5
2	Mr. R. D. Dixit [Non-Executive & Non Independent Director]	Member	5	5
3	Mr. Subhash Kutte [Non-Executive & Independent Director]	Member	5	5

The Company Secretary acts as the Secretary to the committee.

iv) Remuneration policy:

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is consonance with the existing industry practice.

v) Performance evaluation criteria for Independent Directors:

The performance of the Board of Directors has been evaluated from time to time, details of the same has been defined hereunder.

vi) Remuneration to Directors and Senior Management Employees:

- Details of remuneration/sitting fees paid during the year 2019-20 and number of shares held as on 31st March, 2020 by the directors of the Company are as follows:
- Details of fix component and performance linked incentives along with performance criteria. – There is no variable pay except commission payable to Mr. Sachin Menon.

Name of the Director	Salary	Contribution to Provident Fund	Pension	Other Perquisites	Bonus	Sitting Fees	Commission	Total	No of Shares Held
Mr. Sachin Menon	Defined in Annexure '4' to the Board Report.								10701660
Mr. R.D. Dixit	-	-	-	-	-	5,000	-	5,000	13980
Mr. Ajitkumar Belur	-	-	-	-	-	5,000	-	5,000	-
Mr. Subhash Kutte	-	-	-	-	-	5,000	-	5,000	-
Mrs. Sadhana Zadbuke	-	-	-	-	-	5,000	-	5,000	-
Mr. Shrikant Sambhoos*	-	-	-	-	-	-	-	-	-

*Director w.e.f. 11.03.2020

- **Remuneration to Managing Director:**

At the time of appointment or re-appointment, the Managing Director shall be paid such remuneration as may be mutually agreed between the Company (which includes Nomination & Remuneration Committee and the Board of Directors) and the Managing Director within the overall limits prescribed under “the Act”.

- **Remuneration to Non-Executive Directors:**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, for participation in the Board Meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board of Directors of such sum as may be approved by the Board of Directors within overall limits prescribed under “the Act” and the Companies (Managerial Remuneration) 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 to Senior Management Employees:**

In determining the remuneration of senior management employees (i.e. KMPs and Executive Committee Members) the Nomination and Remuneration Committee shall consider the following:

- The relationship of remuneration and performance benchmark is clear.
- The fixed pay short and long-term performance objectives appropriate to the working of the Company and its goals.
- The components of remuneration includes salaries, perquisites and retirement benefits
- The remuneration including annual increment and performance incentives is decided based on 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 individual performance review based on the standard appraisal matters and after taking into account the appraisal score card and other factors mentioned herein above, recommends the annual increment to the Nomination & Remuneration Committee for its review and approval.

C) STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to Section 178 of the Act and Regulation 20 of the Listing Regulations, the Board of Directors has duly constituted the Stakeholders' Relationship Committee.

i) Brief description of terms of reference:

The Committee reviews the performance of the Company's Registrar and Transfer Agent and also recommends the Board measures for overall improvement for better investor services.

ii) Roles & objectives:

- To look into complaints of shareholders and investors pertaining to transfer / transmission of shares, non-receipt of share certificates, non-receipt of dividends, non-receipt of annual reports, issue of duplicate share certificates and other miscellaneous complaints.

- The Committee is responsible for satisfactory Redressal of Investors' complaints.
- The Stakeholder' Relationship Committee also has a role as defined under Regulation 20(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

iii) Composition and attendance:

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. R. D. Dixit [Non-Executive & Non Independent Director]	Chairman	4	4
2	Mr. Sachin Menon [Chairman & Managing Director]	Member	4	4
3	Mr. Ajitkumar Belur [Non-Executive & Independent Director]	Member	4	4

The Company Secretary acts as the Secretary to the committee.

iv) Policy relating to investors:

The Company adopted the policy relating to Investor relation and the same has been properly executed.

- v)** Investor complaints/grievances received during the year 2019-20 are 253* and all were resolved to the satisfaction of shareholders – During the year under review no complaints are pending.

* No. of complaints are mainly related to updation of Bank & KYC details.

D) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Pursuant to the requirements of Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of the Company has duly constituted the Corporate Social Responsibility (CSR) Committee.

i) Brief description of terms of reference:

The Committee monitors the CSR Policy of the Company which covers the causes for which Company may pursue its CSR activities.

ii) Roles & objectives:

- Formulate and recommend to the Board a CSR Policy which shall indicate the activities to be undertaken by the company as specified under Schedule VII;
- Recommend the amount of expenditure to be incurred on the activities referred in CSR Policy;
- Monitor the CSR policy of the company from time to time;
- Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with “the Act” or rules made there under or any other statutory laws of India.

iii) Composition and attendance :

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. Sachin Menon [Chairman & Managing Director]	Chairman	4	4
2	Mr. R. D. Dixit [Non-Executive & Non Independent Director]	Member	4	4
3	Mr. Ajitkumar Belur [Non-Executive & Independent Director]	Member	4	4

The Company Secretary acts as the Secretary to the committee.

iv) CSR Policy:

The details of projects / activities and corresponding investments and expenditure thereon and monitorisation of projects / activities are laid down in the CSR Policy, the extract of the same is available on the website of the Company viz. www.menonpistons.com.

E) RISK MANAGEMENT COMMITTEE:

The Company has voluntarily constituted Risk Management Committee. The Committee is required to lay down the procedures to inform to the Board about the risk assessment and mitigation procedures.

i) Brief description of terms of reference:

The Committee is responsible for identifying developments in the environment or in internal operating processes that could materially affect the profile of risks.

ii) Roles & objectives:

- The Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.
- The Committee shall review risk trend, exposure and potential impact analysis carried out by management.
- The Committee shall put in place a mechanism to inform Board members about risk assessment and minimization procedures.
- To conduct periodical review to ensure that executive management controls risks by means of properly defined framework.

iii) Composition and attendance :

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Mr. Sachin Menon [Chairman & Managing Director]	Chairman	4	4
2	Mr. R. D. Dixit [Non-Executive & Non Independent Director]	Member	4	4
3	Mr. SBP Kulkarni [CFO & Associate Vice President]	Member	4	4

The Company Secretary acts as the Secretary to the committee.

iv) Risk management policy:

In order to mitigate the Risk the Company has adopted the policy which has been properly executed.

F) 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 of Women at Workplace and has adopted the same

i) Roles and Objectives

The objective of this policy is to provide its women employees, a workplace free from harassment/discrimination and to create an environment wherein every employee is treated with dignity and respect.

ii) Composition and Attendance:

Sr. No.	Name	Designation	No. of Meetings	
			Held	Attended
1	Miss. Yashodhara Nigade [Employee - Quality Incharge]	Chairman	4	4
2	Mrs. Sadhana Zadbuke [Non-Executive & Independent Director]	Member	4	4
3	Mr. SBP Kulkarni [CFO & Associate Vice President]	Member	4	4
4	Mr. Sambhaji Shinde [HR Head]	Member	4	4

The Company Secretary acts as the Secretary to the committee.

4. GENERAL BODY MEETING:

The Details of Annual and Extra Ordinary General Meetings held during last three financial years are as below:

Year	General Meeting	Day	Date	Time	Location	Special Business Transacted
2018-19	AGM	Saturday	27 th July, 2019	4.30 p.m.	The Residency club, P.O. New Palace, Kolhapur – 416003	1) Ratification of remuneration of Cost Auditors for the financial year 2019-20. 2) Appointment of Mr. Ajitkumar Belur as an Independent Director for second term of 5 years. 3) Appointment of Mr. Subhash Kutte as an Independent Director for period of 3 years. 4) Approval of related party transactions for period of 5 years.
2017-18	AGM	Tuesday	24 th July, 2018	4.00 p.m.	182, Shirol, Kolhapur – 416122	1) Ratification of remuneration of Cost Auditors for the financial year 2018-19.
2016-17	AGM	Saturday	22 nd July, 2017	4.00 p.m.	182, Shirol, Kolhapur – 416122	1) Ratification of remuneration of Cost Auditors for the financial year 2017-18.

Note: The Company has not passed any Special Resolution during the year through Postal Ballot.

5. MEANS OF COMMUNICATION:

The Company has published quarterly, half-yearly and yearly financial results in Business Standard and Dainik Pudhari after forwarding the same to the Bombay Stock Exchange Limited (BSE) as per the requirements of Listing Regulations. The results are also uploaded on the Company's website, www.menonpistons.com

6. GENERAL SHAREHOLDER INFORMATION:

a) Annual General Meeting - Day, Date & Time are given below:

AGM-Day, Date & Time	Venue
Saturday the 12 th August, 2020 at 04.00 PM	Registered office of the company Through Video Conferencing & Other Audio Visual Means

- b) **Financial Year: 1st April to 31st March .**
c) **Record Date (Cut off Date): 5th August, 2020**
d) **Listing:**

Name of the Exchange	Stock Code	ISIN
Bombay Stock Exchange (BSE)	531727	INE650G01029

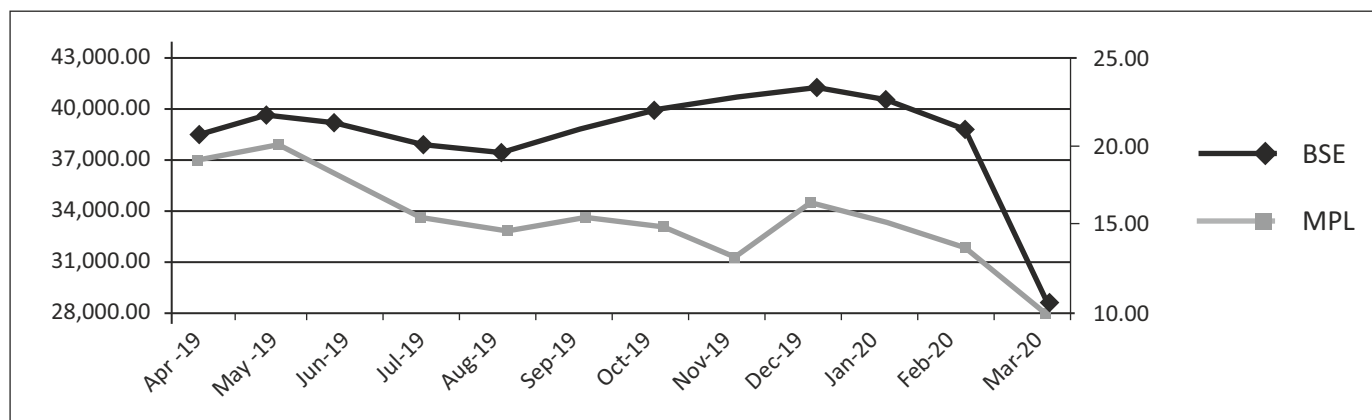
Annual Listing Fee has been paid to the Bombay Stock Exchange Limited (BSE) for the year 2019-20.

e) **Market Price Data:**

Share Price - High & Low in rupees during each month in the year 2019-20 at BSE:

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
Apr.-2019	20.95	18.75	Oct.-2019	16.95	13.30
May.-2019	21.45	18.05	Nov.-2019	16.37	13.10
Jun.-2019	20.35	16.50	Dec.-2019	16.40	13.50
Jul.-2019	20.40	15.00	Jan.-2020	18.85	14.60
Aug.-2019	17.00	12.50	Feb.-2020	16.40	13.00
Sept.-2019	16.75	14.00	Mar.-2020	14.40	07.76

f) **Performance in comparison with BSE SENSEX is as below:**



Source: Bombay Stock Exchange (BSE) (www.bseindia.com)

g) **Registrar & Share Transfer Agents:**

The Company has appointed M/s. Link Intime India Private Limited (Formally known as Intime Spectrum Registry Limited) as its Registrar and Share Transfer Agent with effect from 17th March, 2004, to carry out the share transfer work on behalf of the Company.

h) **Share Transfer System:**

To facilitate the speedy approvals and administrative convenience, the Board has formed a Stakeholders' Relationship Committee, represented by the Board of Directors, to examine the share transfer and related applications. The Committee supervises and ensures efficient transfer of shares and proper and timely attendance of such applications. The committee has been delegated the power of approving transfer, transmission, rematerialisation, dematerialization etc. of shares of the Company. As of 31st March, 2020, the Stakeholders' Relationship Committee consists of 3 (Three) members. The share transfer requests are processed through M/s Link Intime India Private Limited. The Company

obtains a half yearly certificate from a Company Secretary in Practice of compliance of transfer formalities as required under Regulation 40 (10) of the listing Regulations and also from Company Secretary in whole time employment of the Company along with Registrar and Transfer Agent under the provision of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

i) Shareholding Pattern as on 31st March, 2020:

Category of Shareholder	No. of Shares held	% age of total Shareholdings
A. Promoter & Promoter Group		
1) Indian		
Indian Individual / Hindu Undivided Family	34270480	67.1970
Indian Body Corporate	3657430	7.1714
Sub Total A1	37927910	74.3685
B. Public Shareholding		
1) Financial Institutions / Banks	0.00	0.00
2) Non- institutions		
Individual share capital upto Rs. 2 Lakh	9736262	19.0907
Individual share capital in excess of Rs. 2 Lakh	1547467	3.0342
Hindu Undivided Family	705733	1.3838
Non Resident Indian (Non Repatriable)	34700	0.0680
Non Resident Indian (Repatriable)	98557	0.1932
Office Bearers	4500	0.0088
Clearing Members	12466	0.0244
Bodies Corporate	718885	1.4096
IEPF Authority	213520	0.4187
Sub-Total = B2	13072090	25.6315
B = B1 + B2	13072090	25.6315
Total Shareholding = A + B	51000000	100.00

j) Distribution of Shareholding as on 31st March 2020:

Shareholding of Shares	Number of Shareholders	% to Total	Total Shares Held	% age of Total Shareholdings
001 - 5000	5755	93.6839	4761849	9.3370
5001 - 10000	205	3.3371	1589022	3.1157
10001 - 20000	99	1.6116	1399176	2.7435
20001 - 30000	37	0.6023	907370	1.7792
30001 - 40000	11	0.1791	375919	0.7371
40001 - 50000	9	0.1465	412915	0.8096
50001 - 100000	7	0.1140	516947	1.0136
100001 - Above	20	0.3256	41036802	80.4643
	6143	100.00	51000000	100.00

k) Dematerialization of Shares and Liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India - National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). As on 31st March 2020, **50262210** equity shares (i.e. 98.55 %) were held in dematerialized form.

l) Plant Locations:

Piston Division

182, Shirol, Kolhapur – 416122
Phone: 0230-2468041 / 42

Pin and Auto Shaft Division

H-1, MIDC, Kupwad Block, Sangli – 416436
Phone: 0233-2645179 / 89

m) Investor Contact Details:

Company :-

Mr. Pramod Suryavanshi
Company Secretary
Secretarial Department
182, Shirol, Kolhapur – 416122
Tel. 0230 2468041 / 2468042
Email: cs@menonpistons.com

Registrar & Transfer Agent:-

M/s. Link Intime India Private Limited
Block No 202, Akshay Complex,
2nd Floor, Near Ganesh Temple,
off Dhole Patil Road, Pune-411001
Tel: +91 20 26160084/ 26161629
Email: pune@linkintime.co.in

n) Unclaimed Dividend:

By virtue of the provision laid down under “the Act”, all unclaimed/unpaid dividend, remaining unclaimed/unpaid dividend for a period of seven years from the date of transfer to unpaid dividend account is required to be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government. No claim shall lie against the Company for the amounts so transferred nor shall any payment be made in respect of such claims. Members, who have not yet encashed their dividend warrants for the financial year 2012-2013 onwards, are requested to make their claims without any delay to the Registrar and Transfer Agents, Link Intime India Private Limited or to the Company.

The information relating to outstanding dividend account(s) and the date's by which they can be claimed by the shareholders are given below

Year	Date of Declaration	Transfer to Unpaid a/c (30+7) days	Seven years complete (Become Due)	Due Date 7 Years + 30 days (credit the fund within 30 days from become Due)
2012-13	29.08.2013	03.10.2013	02.10.2020	31.10.2020
2013-14	22.07.2014	27.08.2014	26.08.2021	24.09.2021
2014-15	30.07.2015	04.09.2015	03.09.2022	01.10.2022
2015-16	30.03.2016	05.05.2016	04.05.2023	02.06.2023
2016-17	22.07.2017	27.08.2017	26.08.2024	24.09.2024
2017-18	24.07.2018	29.08.2018	28.08.2025	26.09.2025
2018-19	27.07.2019	01.09.2019	31.08.2026	30.09.2026

In compliance with IEPF rules, the Company has transferred respective shares to DEMAT account of IEPF authority formed under the Ministry of Corporate Affairs for the financial year 2011-12. The details of the same have been uploaded on the website of the company <https://www.menonpistons.com/s/Details-of-Shares-transferred-to-IEPF-Authority2011-12.pdf>

o) Details of total fees paid to Statutory Auditors

(Rs. in lakhs)

Type of Services	2019-20	2018-19
Audit fees	2.55	2.55
Tax audit fees	0.45	0.45
Other services (Certificate , VAT Audit etc)	1.44	0.37
Expenses reimbursed	0.52	0.30
Total	4.96	3.67

p) Code of Conduct:

The Board of Directors has adopted the code of conduct for Directors and senior management. The said code has been communicated to the Directors and the members of the senior management. They have confirmed compliance with the said code. The code has been uploaded on the Company's website viz. <https://www.menonpistons.com/s/code-of-conduct.pdf>

q) Performance evaluation of the Board, its various Committees and the Directors:

Your Company conducted the annual performance evaluation of the Board, its various Committees and the Directors individually. The performance of the Board was evaluated by the Board after seeking inputs from all the directors and senior management on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

r) CEO / CFO Certification:

A certificate from the Managing Director & CFO on the financial terms of the Company in terms of SEBI (Listing Obligations & Disclosures Requirements) Regulations, 2015 was placed before the Board, who took the same on record.

s) Management Discussion and Analysis:

The detailed Management Discussion and Analysis is given as a separate section in this Annual Report.

t) Reconciliation of Share Capital:

A qualified Practicing Company Secretary carried out a Reconciliation of Shares Audit on quarterly basis to reconcile the total share capital with National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) along with physical holding and the total issued and listed share capital. The audit confirms that the total issued/paid-up capital is in agreement with total number of shares in physical form and total number of dematerialized shares held with NSDL & CDSL. The status on complaints is reported to the Board of Directors as an agenda item. During the year the Company received 253 requests from the shareholders and all have been resolved during the year to the satisfaction of the investors and as on 31st March 2020, there were no pending complaints and requests.

- u) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Sr. No.	Particulars	No. of Complaints
1	Complaints filed during the financial year	Nil
2	Complaints disposed of during the financial year	Nil
3	Complaints pending as on end of the financial year	Nil

7. DISCLOSURES:

- a) Related party transactions during the year have been disclosed as part of financial statements as required under Indian Accounting Standard issued by The Institute of Chartered Accountants of India. The Audit Committee reviews these transactions. The Policy on Related Party Transactions has been uploaded on the website of the Company i.e. <https://www.menonpistons.com/s/Policy-on-materiality-of-RPT-Dealing-with-RPT.pdf>
- b) There were no instances of non-compliance by the company or no strictures or penalties imposed on the company by stock exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the reporting period of last three years.
- c) The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has whistle blower policy wherein the employees are encouraged to report violation of laws, rules and regulations. The confidentiality of such reporting is maintained and is not subject to any discriminatory practice. We affirm that no employee has been denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company.
- d) During the year, the Company has fully complied with the mandatory requirements of corporate governance as per the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Company voluntarily formulated Risk Management Committee and it has been complying the respective provisions applicable to it.
- e) To promote ethical conduct and maintain high standards in carrying out business transactions of the company, a Code of Conduct has been laid down for procedures to be followed by Board members and the senior management employees. This code is also posted on the company's website.
- f) The Managing Director and CFO have issued a certificate pursuant to the provisions of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, certifying that the financial statements do not contain any untrue statements and these statements represent a true and fair view of the company's affairs. The said certificate is annexed.
8. The Company has complied provisions as prescribed in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. Regulations 21 and 24 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are not applicable to the Company.

DECLARATION
Compliance with Code of Conduct

As provided under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

For Menon Pistons Limited

Sachin Menon
Chairman & Managing Director
DIN: 00134488

CEO / CFO CERTIFICATION

As required by the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we have certified to the Board that for the financial year ended 31st March, 2020 the Company has complied with the requirements as prescribed therein.

For Menon Pistons Limited

Sachin Menon
Chairman & Managing Director
DIN: 00134488

For Menon Pistons Limited

Mr. SBP Kulkarni
CFO & Associate Vice President

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
**The Members,
Menon Pistons Limited.**

We have examined the compliance of conditions of Corporate Governance by Menon Pistons Limited (the Company) for the year ended on 31st March, 2020, as stipulated under Regulation 15 (2) read with Schedule V Part E of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations 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 and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state 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. G. Bhagwat
Chartered Accountants
FRN: 101118W

Akshay B. Kotkar
Partner
Membership No.: 140581
UDIN : 20140581AAAABS6408

Place : Kolhapur
Date : 16th June, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

STRUCTURE OF THE INDUSTRY:

Your Company is in manufacturing of auto components such as Pistons, Gudgeon Pins, Rings, Auto shafts required for commercial vehicles, tractors, passenger cars and heavy duty stationary engines. The market is divided into many segments such as export market, replacement market, OEM market. These are distinct from one another and have distinct advantages and plights.

INDUSTRY OVERVIEW:

There seems to be no end to bad news on the economy front. Manufacturing sector considered to be the backbone of the economy has also witnessed negative growth during this year. Domestic sales of leading auto companies fell to 25% during this financial year.

The global pandemic caused by the novel corona virus comes at time when both the Indian economy and the automotive industry were hoping for recovery. While the GDP growth forecasts were north of 5.5%, COVID-19 may result in a negative impact of 1-2% on the expected growth rates.

Even after we open up, further decline in passenger vehicles demand is expected with discretionary spend taking a backseat. This will be coupled with transition to BS-VI norms that will increase cost of ownership.

DEVELOPMENTS:

The Company has very good opportunities because of long term business relationship with valued customers both in domestic OEM's and replacement market & export and also in time supplies, superior quality products.

The Company continues its drive for sustainable growth in this growing domestic automotive industry. In view of strong support of OEM's and because of establishing good distribution network, Company is poised for good growth.

GOVERNMENT INITIATIVES:

Government has come out with Automotive Mission

Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways:-

- Contribution of auto industry in the country's GDP will rise to over 12 per cent
- Around 65 million incremental number of direct and indirect jobs will be created
- End of life Policy will be implemented for old vehicles

ROAD AHEAD:

The rapidly globalising world is opening up newer avenues for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe and reliable modes of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt to the change via systematic research and development.

OPPORTUNITIES AND THREATS:

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as exports potential could be increased by up to US\$ 30 billion by 2021. A cost-effective manufacturing base keeps costs lower relative to operations in other countries. As per Automobile Component Manufacturers Association (ACMA) forecasts, automobile component exports from India are expected to reach US\$ 80 billion by 2026.

Further, lack of policy clarity or a road map for implementation of Electric Vehicles is also creating some uncertainty in the industry about the long term prospects. However, the Company is taking several steps to protect its long term interests. National Electric Mobility Mission Plan aims at achieving sales of 6-7 million units of hybrid and electric vehicles by 2020.

OUTLOOK:

The short term and medium term outlook for automotive sector in India is positive. Revival of



economy post demonetization, implementation of Goods & Services Tax and growth in pace of infrastructure development should also contribute to increase in sales across all vehicle segments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company's internal control system has been designed in order to provide the directors and the audit committee with reasonable assurance that its assets are safeguarded, transactions are properly authorized and recorded, material errors and irregularities are either timely prevented or detected. The internal controls system provides the board an independent, reasonable assurance of the adequacy of effectiveness of the organizations risk management, control and governance process. The board of directors continuously assesses opportunities for improvements in business process, systems, control and also putting in place standard operating practices.

Thus effective internal control structure has been set up in the company to enhance organizational performance and contribute towards accomplishment of its objectives.

RISK & CONCERNS:

Increase in commodity prices and also increasing fuel prices are creating some uncertainty in the mind of consumers, affecting demand. Continuous demand from customers for price reduction along with increase in price of raw materials may affect the margins of the Company. Company is working on productivity improvement, rejection reduction and cost reduction projects to mitigate the impact of the price reduction.

ENVIRONMENT:

The Company believes that, by nature, our operations have a minimal impact on the environment. However, we acknowledge that there are inevitable environmental impacts associated with daily operations. We strongly encourage the internationally established 3 R's reduce, re-use, recycle. In the course of our operations we seek to identify opportunities to reduce/keep it at minimum

consumption of energy, water and other natural resources. We also strive to re-use and recycle where possible and dispose of non-recyclable items responsibly, thereby minimizing impact on the environment.

HUMAN RELATIONS, WORKERS' WELFARE, INCLUSIVE DEVELOPMENT ACTIVITIES:

At your Company, we assure to provide environment for continuous innovation and improvement by rewarding the employees for the dedicated efforts made by them in achieving Company's goal. We believe whatever we achieved from where we started our journey long back is the result of our team. So, we consistently aim to provide a sustainable environment for learning right from the stage of recruitment to retention.

FINANCIAL STATEMENTS:

The financial statements have been prepared in accordance with the requirements of the Companies Act & Indian Accounting Standards as prescribed by the Government. The Board of Director believes that it has been the objective and prudent in making estimates and judgments relating to the financial statements and confirms that these financial statements are a true and fair presentation of the company's operations of the year.

KEY FINANCIAL RATIOS:

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Amendment Regulations, 2018 the Company is required to give details of significant changes (changes of 25% or more as compared to immediately previous financial year) in financial ratios are as follows.

Particulars	2019-20	2018-19
Debtors Turnover Ratio	3.27	3.36
Inventory Turnover Ratio	5.73	9.34
Interest Coverage Ratio	22.28	34.33
Current Ratio	3.35	3.00
Debt Equity Ratio	1.25	1.31

The details of return on net worth is as follows

Particulars	2019-20	2018-19
Return on net worth (%)	5.88	12.97

STATUTORY COMPLIANCE:

The Chairman & Managing Director and Chief Financial Officer makes a declaration at each Board Meeting regarding the compliance with provisions of various statutes after obtaining confirmations from all the units of the company. The Company ensures compliance with SEBI regulations and provisions of the listing agreement.

CAUTIONARY STATEMENT:

Statements made in this Management Discussion Analysis report describing the Company's projections expectations, estimates, global conditions, government policies etc contain forward looking statements based upon the data available with the Company. The Company cannot guarantee the accuracy of assumptions and perceived performance of the company in future based on this data and the assertions made in the report. Therefore it is cautioned that the actual results may materially differ from those expressed or implied in and through this analysis.

SEGEMENTWISE & PRODUCTWISE PERFORMANCE:

The Company has only one segment of activity namely "Automotive Component". Therefore, segment-wise performance is not applicable

DISCUSSION ON FINANCIAL & OPERATION PERFORMANCE:

During the year, Company has made turnover of Rs.117.80 Crores as compared to Rs. 156.10 Crores during the previous financial year whereas profit after tax for the year is Rs.4.38 Crores as against Rs. 10.07 Crores in the previous financial year.

**For and on Behalf of The
Board of Directors**

**Sachin Menon
Chairman & Managing Director
DIN: 00134488**

**Place : Kolhapur
Date : 16.06.2020**



CERTIFICATE

[Pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”)]

The Members,
Menon Pistons Limited
182, Shirol, Kolhapur - 416122

We have examined the relevant books, papers, minutes books, forms and returns filed, notices received from the Directors during the last financial year and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives of Menon Pistons Limited (CIN:L34300MH1977PLC019823) having its Registered office at 182, Shirol, Kolhapur - 416122 for the purpose of issue of a Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR), as amended vide notification no SEBI/LAD/NRO/GN/2018/10 dated May 9, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors as stated below who are on the Board of the Company as on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by SEBI/Ministry of Corporate Affairs or any such other statutory authority.

Sr.No	DIN	Name of the Director	Designation	Date of Appointment
1	00134488	Mr. Sachin Ram Menon	Managing Director	15/06/1991
2	00205336	Mr. Ajitkumar Srinivasan Belur	Director	28/12/2005
3	00626827	Mr. Ramesh Dattatraya Dixit	Director	10/02/1981
4	06978368	Mrs. Sadhana Subhash Zadbuke	Additional Director	02/11/2019
5	00233322	Mr. Subhash Gundappa Kutte	Director	10/05/2019
6	08716109	Mr. Shrikant Raghunath Sambhoos	Additional Director	11/03/2020

We further state that such compliance 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 DVD & Associates
Company Secretaries**

Devendra Deshpande
Proprietor
FCS 6099, CP 6515
UDIN : F006099B000461061

Place: Pune
Date: 16.07.2020

INDEPENDENT AUDITOR'S REPORT
To the Members of Menon Pistons Limited
Report on the Indian Accounting Standards (Ind AS) Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Menon Pistons Limited (“the Company”), which comprises the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity, and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the Standalone Ind AS Financial Statements”).

In our opinion and to the best of our information and according to the explanations given to us, the afore said Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the standalone state of affairs of the Company as at March 31, 2020, and its standalone profit (including Other Comprehensive Income), standalone changes in equity and its standalone cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Following is the Key Audit Matter identified which is of most significance:

● **Adoption of Ind AS 116 Leases:**

As described in Note 30.16 to the standalone financial statements, the Company has adopted Ind AS 116 Leases (Ind AS 116) in the current year. The application and transition to this accounting standard is complex and is an area of focus in our audit. Ind AS 116 introduces a new lease accounting model, wherein lessees' are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. Adoption of the standard involves significant judgements and estimates including, determination of the discount rates and the lease term. Additionally, the standard mandates detailed disclosures in respect of transition. Refer Note 30.16 and Note 40 to the standalone financial statements.



Audit procedures performed:

Our audit procedures on adoption of Ind AS 116 include:

- Assessed and tested new processes and controls in respect of the lease accounting standard (Ind AS 116);
- Assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business;

- Upon transition as at 1st April, 2019:
 - Evaluated the method of transition and related adjustments;
 - Tested completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and the lease liabilities.

- On a statistical sample, we performed the following procedures:
 - Assessed the key terms and conditions of each lease with the underlying lease contracts; and
 - evaluated computation of lease liabilities and challenged the key estimates such as, discount rates and the lease term.

- Assessed and tested the presentation and disclosures relating to Ind AS 116 including, disclosures relating to transition.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone Ind AS Financial Statements, Secretarial Report and our auditor's report thereon, which we obtained prior to the date this auditor's reports.

Our opinion on the Standalone Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those Charged with Governance for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS Financial Statements that give a true and fair view of the standalone financial position, standalone financial performance (including other comprehensive income), standalone changes in equity and standalone cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance

with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting 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 adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone Financial Statements, the management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls. and operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate,

to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid standalone Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors are disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”.
- g. As required by section 197 (16) of the Act; in our opinion and according to information and explanation provided to us, the remuneration paid by the company to its directors is in accordance with the provisions of section 197 of the Act and remuneration paid to its directors is not in excess of the limit laid down under this section.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no.31 to the financial statements;
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31st March 2020.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the investor Education and Protection Fund by the Company.

For M/s P. G. Bhagwat
Chartered Accountants
FRN- 101118W

Place : Kolhapur
Date : 16th June 2020

Akshay B. Kotkar
Partner
Membership No. 140581
UDIN : 20140581AAAABS6408

Annexure - A to the Auditor's Report
Referred to in paragraph 1 of our Report on Other Legal and Regulatory Requirements
of even date to the Members of Menon Pistons Limited.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 (b) The fixed assets of the Company are physically verified by the Management as per policy. In our opinion, the frequency of verification is reasonable.
 (c) The title deeds of immovable properties as disclosed in note 1 on Property, Plant & Equipment to the financial statements, are held in the name of the Company.
- (ii) The inventory was physically verified during the year by the management. In our opinion the frequency of verification is reasonable. Discrepancies between the physical stock and the book records noticed on verification were properly dealt with in the books of accounts.
- (iii) According to information and explanations given to us, the Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013, accordingly the reporting under Clause 3 (iii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- iv) According to information & explanations given to us, in our opinion in respect of loan, investment, guarantees and security provision of Sections 185 and 186 of the Companies Act, 2013 has been complied with.
- v) According to information and explanation given to us, the Company has not accepted any deposits from public, accordingly the reporting under Clause 3 (v) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (vi) We have broadly reviewed the books of accounts and records maintained by the Company relating to manufacture of base metals castings (Auto-components of Aluminium & Steel) pursuant to the rules made by Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.
- (vii) (a) According to information and explanation given to us, the Company is generally regular in depositing undisputed statutory dues with appropriate authorities including Provident fund, Employees' State insurance, Income tax, Sales tax, Service Tax, Duty of Customs, Duty of excise, Value added tax, Goods and Services tax, cess and any other statutory dues applicable to it.
 (b) According to the information and explanations provided to us, no disputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax, Sales Tax, Goods and Services Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 (c) According to information and explanation given to us, there are no dues of Income tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Goods and Services tax and Cess which have not been deposited on account of any dispute other than those mentioned below.

Rupees in Lakhs

Sr. No.	Statutory Dues	Forum	Outstanding Balance
1	Sales Tax	Dy. Commissioner of Sales Tax (Appeals) Pune.	5.00
2	Service Tax Liability (2008- 09)	CCE (Appeals) Pune-II.	3.31
3	Service Tax Liability (2009-10)	CCE (Appeals) Pune-II.	0.96

- (viii) According to information and explanation given to us, in our opinion the Company has not defaulted in repayment of loans and borrowings to any bank. Also, according to information and explanations given to us, in our opinion, Company neither has any loans or borrowings from financial institution, Government nor issued any debentures.
- (ix) According to the information and explanation given to us, in our opinion the Company has not raised money by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the reporting under Clause 3 (ix) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (x) According to information and explanation given to us, no fraud by the Company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to information and explanation given to us and based on our examination of the records of the Company, managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provision of Section 197 read with schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company, accordingly the reporting under Clause 3 (xii) of the Companies (Auditor's report) Order, 2016, is not applicable to the Company.
- (xiii) According to information and explanation given to us, in our opinion all transactions with related parties are in compliance with sections 177 & 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in notes to accounts of Financial Statements as per Ind AS 24 - Related Party Disclosures.
- (xiv) According to Information and Explanation given to us, the Company has not issued shares by way of preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review, accordingly provisions of section 42 of the Companies Act 2013 are not applicable to the Company.
- (xv) According to information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with him; accordingly, provisions of section 192 are not applicable to the Company.
- (xvi) According to information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For M/s P. G. Bhagwat
Chartered Accountants
FRN- 101118W

Akshay B. Kotkar
Partner
Membership No. 140581
UDIN : 20140581AAAABS6408

Place : Kolhapur
Date : 16th June 2020

Annexure - B to the Auditor's Report

(Referred to in paragraph 2(f) of our Report on Other Legal and Regulatory Requirements of even date to the Members of Menon Pistons Limited)

Report on the Internal Financial Controls with reference to Standalone Ind AS Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to Standalone Ind AS Financial Statements of **Menon Pistons Limited** (“the Company”) as of 31st March, 2020 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the 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 issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 internal financial controls with reference to Financial Statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the existence of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, 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 judgment, 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 with reference to financial statements.

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 expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to Standalone Ind AS Financial Statements, 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 with reference to Standalone Ind AS Financial Statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to Standalone Ind AS Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2020 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 issued by the Institute of Chartered Accountants of India.

For M/s P. G. Bhagwat
Chartered Accountants
FRN- 101118W

Place : Kolhapur
Date : 16 June 2020

Akshay B. Kotkar
Partner
Membership No. 140581
UDIN : 20140581AAAABS6408



Balance Sheet

As at March 31, 2020

(Rs. in Lakhs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
ASSETS			
I. Non-current assets		3,718.39	3,713.86
(a) Property, plant and equipment	1	3,136.37	3,111.16
(b) Capital work-in-progress		-	-
(c) Investment properties		-	-
(d) Other intangible assets	1	18.76	15.94
(e) Right of use assets	1	7.36	-
(f) Intangible assets under development			
(g) Financial assets			
(i) Investments	2	0.37	0.37
(ii) Trade receivables		-	-
(iii) Loans	3	159.49	132.97
(iv) Other financial assets		-	-
(h) Deferred tax assets (net)		-	-
(i) Other non-current assets	4	396.04	453.43
II. Current assets		5,577.70	6,459.89
(a) Inventories	5	2,053.87	1,670.75
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	6	2,826.34	4,368.56
(iii) Cash and cash equivalents	7a	240.10	137.67
(iv) Bank balance other than above (iii)	7b	198.62	47.91
(v) Loans	8	11.57	11.63
(vi) Other financial assets	9	12.75	8.68
(c) Contract assets		-	-
(d) Assets held for sale		-	-
(e) Other current assets	10	234.45	214.70
Total Assets		9,296.09	10,173.75
EQUITY AND LIABILITIES			
Equity		7,456.71	7,771.61
(a) Equity Share Capital	11	510.00	510.00
(b) Other Equity			
Capital Reserve	12	-	50.66
General Reserve	12	1,149.55	1,098.89
Securities Premium	12	807.50	807.50
Retained Earnings	12	4,989.66	5,304.56

Particulars	Notes	As at March 31, 2020	As at March 31, 2019
LIABILITIES			
I. Non-current liabilities		175.81	247.54
(a) Financial liabilities			
(i) Borrowings		-	-
(ii) Trade Payables		-	-
(b) Long-term provisions	13	64.00	78.44
(c) Deferred tax liabilities (net)	14	111.81	169.10
(d) Other non-current liabilities		-	-
II. Current liabilities		1,663.57	2,154.59
(a) Financial liabilities			
(i) Borrowings	15	402.84	244.83
(ii) Trade and other payables			
(a) Total outstanding dues of micro and small enterprises	16	228.89	247.04
(b) Total outstanding dues other than (ii) (a) above	16	503.72	852.75
(iii) Other financial liabilities	17	490.34	602.86
(b) Contract liabilities			
(c) Other current liabilities	18	27.84	195.82
(d) Short-term provisions	19	9.94	11.29
Total Equity and Liabilities		9,296.09	10,173.75
Corporate Information	29		
Significant accounting policies	30		
The accompanying notes are an integral part of the financial statements. (31-43)			

As per our report of even date
M/s. P. G. Bhagwat
Chartered Accountants
FRN:101118W

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

Mr. Akshay B. Kotkar
Partner
Membership No.140581
UDIN : 20140581AAAABS6408

Mr. Sachin Menon
Chairman & Managing Director
DIN:00134488

Mr. R. D. Dixit
Director
DIN:00626827

Place : Kolhapur
Date : June 16, 2020

Mr. S.B.P. Kulkarni
CFO & Associate Vice President

Mr. Pramod Suryavanshi
Company Secretary



Statement of Profit and Loss

For the year ended March 31, 2020

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Income			
Revenue from operations	20	11,775.06	15,610.12
Other income	21	42.92	68.45
Total Income		11,817.98	15,678.57
Expenses			
Cost of Raw Materials and Components Consumed	22	4,932.77	6,584.17
Purchase of traded goods		-	-
Changes in inventories of finished goods, Work in - Progress and traded goods	23	(476.41)	(27.38)
Employee benefit expenses	24	1,799.45	1,825.24
Finance costs	25	26.16	42.12
Depreciation and amortisation expense	26	533.15	483.11
Other expenses	27	4,446.29	5,367.41
Total expenses		11,261.41	14,274.67
Profit/ (loss) before exceptional items and tax		556.57	1,403.90
Exceptional items [Income / (Expense)]		-	-
Profit before tax		556.57	1,403.90
Tax expense	28	117.99	396.30
Current tax		170.00	421.00
Taxes related to earlier years		-	10.43
Deferred tax		(52.01)	(35.13)
Profit for the year		438.58	1,007.60
Other comprehensive income			
Items not to be reclassified to Profit or Loss (net of tax)			
in subsequent periods :		(12.92)	(14.67)
Re-measurements of Post Employment obligations		(17.26)	(20.70)
Income tax effect on above		4.34	6.03
Total comprehensive income for the year, net of tax		425.66	992.93

(Rs. in Lakhs)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019
Earnings per equity share	34		
Nominal value per share Re.1/- (March 31, 2019 : Re.1/-)			
Basic		0.86	1.38
Diluted		0.86	1.38
Significant accounting policies	30		
The accompanying notes are an integral part of the financial statements.			

As per our report of even date
M/s. P. G. Bhagwat
Chartered Accountants
FRN:101118W

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DIN:00626827

Place : Kolhapur
Date : June 16, 2020

Mr. S.B.P. Kulkarni
CFO & Associate Vice President

Mr. Pramod Suryavanshi
Company Secretary



Cash Flow Statement

For the year ended on March 31, 2020

(Rs. in Lakhs)

	Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A	Cash flows from operating activities		
	Net profit before taxes	556.57	1,403.90
	Adjustments for :-		
	Depreciation	533.15	483.11
	Debit Balances Written off	-	-
	Assets written off	-	-
	Interest income	(15.81)	(28.65)
	Interest expenses	26.16	42.12
	Dividend received	(0.04)	(0.04)
	Credit Balances Written back	(5.63)	-
	Profit on Sale of Assets	(0.23)	(12.64)
	Operating profits before working capital changes	1,094.17	1,887.80
	Adjustments for :-		
	(Increase)/decrease in trade and other receivables	1,499.38	295.34
	(Increase)/decrease in Inventories	(338.12)	(84.65)
	Increase/(decrease) in trade and other payables	(454.57)	(451.04)
	Cash generated from operations	1,755.86	1,647.45
	Income tax paid	(213.37)	(510.73)
	Net cash from operating activities	1,542.49	1,136.72
B	Cash flows from investing activities		
	Payments for PPE and Intangible assets	(530.32)	(832.58)
	Proceeds from sale of PPE	0.23	17.60
	(Increase)decrease in fixed deposits	(145.34)	23.31
	Investment in right of use asset	(18.48)	-
	Interest received	11.74	31.38
	Dividend received	0.04	0.04
	Net cash from investing activities	(682.13)	(760.25)
C	Cash flows from financing activities		
	Proceeds from long term borrowings	-	-
	Repayment of long term borrowings	-	(13.22)
	Interest paid	(25.50)	(48.31)
	Dividend and dividend distribution tax	(732.43)	(370.22)
	Net cash from financing activities	(757.93)	(431.75)
	Net increase in cash and cash equivalents	102.43	(55.28)
	Cash and cash equivalents at beginning of period (refer note 7a)	137.67	192.95
	Cash and cash equivalents at the end of period (refer note 7a)	240.10	137.67

Notes to Cash Flow Statement

1. Cash Flow Statement has been prepared under indirect method set out in Ind AS-7 Statement of Cash Flows.
2. For Net-debt Reconciliation Statement refer note-15
3. For Company's Policy on Cash and Cash equivalents refer note 30.6 of Significant Accounting Policies.

As per our report of even date
M/s. P. G. Bhagwat
Chartered Accountants
FRN:101118W

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

Mr. Akshay B. Kotkar
Partner
Membership No.140581
UDIN : 20140581AAAABS6408

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Director
DIN:00626827

Place : Kolhapur
Date : June 16, 2020

Mr. S.B.P. Kulkarni
CFO & Associate Vice President

Mr. Pramod Suryavanshi
Company Secretary



Statement of changes in Equity for the year ended March 31, 2020

A. Equity Share Capital (Note 11)

(Rs. in Lakhs)

Equity Shares issued, subscribed and fully paid	No. of Shares	Amount
As at April 1, 2018	5,10,00,000	510.00
Issue/Reduction, if any during the year	-	-
As at March 31, 2019	5,10,00,000	510.00
Issue/Reduction, if any during the year	-	-
As at March 31, 2010	5,10,00,000	510.00

B. Other Equity (Note 12)

(Rs. in Lakhs)

Particulars	Reserves and Surplus				Total equity
	Capital Reserve	General Reserve	Securities Premium	Retained Earnings	
As at April 1, 2018	50.66	998.89	807.50	4,780.54	6,637.59
Profit for the Year	-	-	-	1,007.60	1,007.60
Other Comprehensive income for the year	-	-	-	(14.67)	(14.67)
Total Comprehensive Income for the Year	-	-	-	992.93	992.93
Transfer to General Reserve	-	100.00	-	(100.00)	-
Final Dividend for the year ended March 31, 2018	-	-	-	(306.00)	(306.00)
Tax on final dividend for the year ended March 31, 2018	-	-	-	(62.90)	(62.90)
As at March 31, 2019	50.66	1,098.89	807.50	5,304.57	7,261.62
Profit for the Year	-	-	-	438.57	438.57
Other Comprehensive income for the year	-	-	-	(12.91)	(12.91)
Total Comprehensive income for the year	-	-	-	425.66	425.66
Transfer to General Reserve	(50.66)	50.66	-	-	-
Net Impact on account of adoption of Ind AS 116 (Net of Tax)	-	-	-	(2.77)	(2.77)
Final Dividend for year ended March 31, 2019	-	-	-	(382.50)	(382.50)
Tax on final dividend for the year ended March 31, 2019	-	-	-	(78.62)	(78.62)
Interim Dividend for year ended March 31, 2020	-	-	-	(229.50)	(229.50)
Tax on Interim dividend for the year ended March 31, 2020	-	-	-	(47.17)	(47.17)
As at March 31, 2020	-	1,149.55	807.50	4,989.66	6,946.71

The accompanying notes are an integral part of the financial statements.

As per our report of even date
M/s. P. G. Bhagwat
 Chartered Accountants
 FRN:101118W

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

Mr. Akshay B. Kotkar
 Partner
 Membership No.140581
 UDIN : 20140581AAAABS6408

Mr. Sachin Menon
 Chairman & Managing Director
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 Director
 DIN:00626827

Place : Kolhapur
 Date : June 16, 2020

Mr. S.B.P. Kulkarni
 CFO & Associate Vice President

Mr. Pramod Suryavanshi
 Company Secretary

Notes to Financial Statements

Note 1: Property, Plant and Equipments, Intangible Assets and Right of use Assets

(Rs. in Lakhs)

Particulars	Tangible Assets (Owned)										Leased Asset		Intangible Asset	Grand Total
	Land Free hold	Building	Plant & Equipment	Computer	Electrical Installation	Furniture & Fixtures	Office Equipments	Vehicles	Total	Land Lease hold	Right of Use asset (Building)	Softwares		
	Gross Block	3.76	1,196.91	6,934.22	128.27	632.00	159.55	122.18	98.50	9,275.40	4.76	-	66.88	9,347.03
As at April 1, 2018	-	115.15	687.08	7.46	16.29	47.60	15.00	-	888.57	-	-	5.84	894.42	
Additions	-	2.03	4.20	-	-	-	-	-	6.23	-	-	-	6.23	
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-	
Impairment of asset	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2019	3.76	1,310.03	7,617.10	135.73	648.30	207.15	137.18	98.50	10,157.74	4.76	-	72.72	10,235.22	
Reclassified on account on adoption of Ind AS 116	-	-	-	-	-	-	-	-	-	-	22.08	-	22.08	
Additions	-	11.79	404.73	12.88	1.64	62.57	18.89	20.66	533.16	-	-	13.31	546.47	
Disposals	-	-	-	-	-	-	-	4.20	4.20	-	-	-	4.20	
Impairment of asset	-	-	-	-	-	-	-	-	-	-	-	-	-	
As at March 31, 2020	3.76	1,321.82	8,021.83	148.61	649.93	269.72	156.07	114.96	10,686.70	4.76	22.08	86.04	10,779.57	
Depreciation/Amortisation														
As at April 1, 2018	-	496.88	5,265.18	108.84	467.04	100.45	87.19	51.78	6,577.36	0.16	-	48.76	6,626.29	
Charge for the year	-	48.57	354.24	9.61	36.39	10.66	7.87	7.73	475.08	0.01	-	8.02	483.11	
Depreciation on disposal	-	1.27	-	-	-	-	-	-	1.27	-	-	-	1.27	
As at March 31, 2019	-	544.18	5,619.43	118.44	503.44	111.12	95.07	59.50	7,051.17	0.17	-	56.78	7,108.12	
Charge for the year	-	40.19	388.36	8.27	37.47	15.30	9.73	8.62	507.94	0.01	14.72	10.49	533.15	
Depreciation on disposal	-	-	-	-	-	-	-	4.20	4.20	-	-	-	4.20	
As at March 31, 2020	-	584.37	6,007.79	126.72	540.91	126.41	104.80	63.92	7,554.92	0.18	14.72	67.27	7,637.08	
Net block														
At March 31, 2020	3.76	737.44	2,014.04	21.89	109.02	143.31	51.28	51.04	3,131.79	4.59	7.36	18.76	3,162.49	
At March 31, 2019	3.76	765.85	1,997.67	17.29	144.86	96.03	42.11	39.00	3,106.57	4.59	-	15.94	3,127.10	

Notes:

1) Contractual obligations:

Refer note no 32 for estimated amount of contract remaining to be executed on capital account.

2) Impairment loss:

No Provision for Impairment loss is made during the year.

3) PPE pledged as security:

Company has hypothecated Property, Plant and Equipments (excluding vehicles) & Land and Building situated at 182, Shirol, Kolhapur & at H-1, MIDC, Kupwad, Sangli, against the Borrowings from IDBI Bank.

4) Capital work in progress / Intangible asset under development: Nil; Previous year - Nil

5) For depreciation and amortisation refer accounting policy (Note 30.7).

Notes to the Financial Statements

Note 2 : Non-current investments	Par Value / Face Value Per Unit Rs.	As at March 31, 2020		As at March 31, 2019	
		Numbers	Rs. in Lakhs	Numbers	Rs. in Lakhs
At Fair value through Other Comprehensive Income (FVTOCI)					
Investment In Unquoted Equity Instruments					
Shree Warna Sahakari Bank Ltd	10.00	3,675	0.37	3,675	0.37
Total			0.37		0.37
Aggregate amount of quoted Investments			-		-
Aggregate amount of unquoted Investments			0.37		0.37
Aggregate amount of impairment loss			-		-

1. Refer Note-38 for Financial assets at fair value through other comprehensive income- unquoted equity instruments.
2. Refer Note 38A on risk management objectives and policies for financial instruments.

(Rs. in Lakhs)

Note 3 : Loans (Non current)	As at March 31, 2020	As at March 31, 2019
Security Deposits	159.49	132.97
Break-up for security details :	159.49	132.97
Secured, Considered good	-	-
Unsecured, Considered good	159.49	132.97
Significant Increase in credit risk	-	-
Credit Impaired	-	-
Less : Loss Allowance	-	-
TOTAL	159.49	132.97

Deposits are measured at amortised cost.

(Rs. in Lakhs)

Note 4 : Other non-current assets	As at March 31, 2020	As at March 31, 2019
Capital Advance	108.82	183.59
To Related Parties	81.15	76.04
To Others	27.67	107.55
Sales Tax recoverable	-	26.00
Tax paid in advance (Net of Provision)	285.18	241.81
Other Non Current assets	2.03	2.03
TOTAL	396.04	453.43
Advance to Directors or to firm / Private company where Director is interested	81.15	76.04

Notes to the Financial Statements

(Rs. in Lakhs)

Note 5 : Inventories	As at March 31, 2020	As at March 31, 2019
Raw Materials and Components	249.96	331.99
Work in Progress	301.91	211.44
Finished Goods	1,111.51	725.57
Finished goods	1,058.25	704.05
Finished goods in transit	53.26	21.53
Stores and Spares	390.49	401.74
TOTAL	2,053.87	1,670.75

Amount Recognized in Profit and Loss Account:

Write-Down of Inventory to net realizable value amounts to Rs. NIL (March 31, 2019; Rs. NIL). These were recognized as expenses during the year and included in 'Changes in inventories of finished goods, Work in Progress and traded goods

(Rs. in Lakhs)

Note 6 : Trade receivables	As at March 31, 2020	As at March 31, 2019
Trade Receivables	2,826.34	4,368.56
From Related Parties	745.44	983.54
From others	2,080.90	3,385.02
Break-up for security details :	2,826.34	4,368.56
Secured, Considered good	-	-
Unsecured, Considered good	2,826.34	4,368.56
Significant Increase in credit risk	-	-
Credit Impaired	-	-
Less : Loss Allowance (Allowance for bad and doubtful debts)	-	-
TOTAL	2,826.34	4,368.56
Debts due from firms or private companies in which any director is a partner, a director or a member	745.44	983.55

1. Trade receivables are measured at amortised cost.
2. No Trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person.
3. Trade receivables are non-interest bearing and are generally on terms of 30 to 75 days.
4. Refer Note 38A & 38B on credit risk of trade receivable, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

Notes to the Financial Statements

(Rs. in Lakhs)

Note 7a : Cash and cash equivalents	As at March 31, 2020	As at March 31, 2019
Cash on hand	4.23	3.45
Balance with Bank		
Current accounts	170.95	134.22
Cheques in Hand	52.54	-
Deposits with bank	12.38	-
TOTAL	240.10	137.67

(Rs. in Lakhs)

Note 7b : Other bank balances	As at March 31, 2020	As at March 31, 2019
Unpaid dividend accounts	20.62	15.25
Deposits with original maturity of more than three months but less than 12 months	178.00	32.66
TOTAL	198.62	47.91

Refer Note 38A on risk management objectives and policies for financial instruments.

(Rs. in Lakhs)

Note 8 : Loans (Current)	As at March 31, 2020	As at March 31, 2019
Security Deposits	11.57	11.63
Break-up for security details :	11.57	11.63
Secured, Considered good	-	-
Unsecured, Considered good	11.57	11.63
Significant Increase in credit risk	-	-
Credit Impaired	-	-
Less : Loss Allowance	-	-
TOTAL	11.57	11.63

1. Deposits are measured at amortised cost.

(Rs. in Lakhs)

Note 9: Other financial assets (Current)	As at March 31, 2020	As at March 31, 2019
Others:		
Interest receivable on Deposits	12.75	8.68
TOTAL	12.75	8.68

1. Other financial assets are measured at amortised cost.

2. Refer Note 38 A on risk management objectives and policies for financial instruments.

Notes to the Financial Statements

(Rs. in Lakhs)

Note 10 : Other current assets	As at March 31, 2020	As at March 31, 2019
Advances to Suppliers & others Unsecured, Considered Good	33.44	26.21
Related Parties	5.81	5.81
Others	27.63	20.40
Claims receivable	15.72	15.72
Deposits and receivables from excise	-	-
Sales tax / VAT / service tax receivable (net)	15.72	15.72
Prepaid Expenses	71.32	74.78
Advances to Staff	10.17	4.40
Employee Benefit Obligation- Gratuity (Refer Note 35)	48.48	72.80
GST Receivable	34.85	-
Other Current Asset	20.46	20.78
TOTAL	234.45	214.70

Note 11 : Share capital	No. of shares	Rs in Lakhs
Authorised share capital		
As at April 1, 2018	5,50,00,000	550.00
Increase/(decrease) during the year	-	-
As at March 31, 2019	5,50,00,000	550.00
Increase/(decrease) during the year	-	-
As at March 31, 2020	5,50,00,000	550.00
Issued share capital		
As at April 1, 2018	5,10,00,000	510.00
Increase/(decrease) during the year	-	-
As at March 31, 2019	5,10,00,000	510.00
Increase/(decrease) during the year	-	-
As at March 31, 2020	5,10,00,000	510.00
Subscribed and fully paid up		
As at April 1, 2018	5,10,00,000	510.00
Increase/(decrease) during the year	-	-
As at March 31, 2019	5,10,00,000	510.00
Increase/(decrease) during the year	-	-
As at March 31, 2020	5,10,00,000	510.00

1. Terms/Rights attached to the equity shares

- a. The Company has only one class of equity shares having a par value of Re.1/-each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders. The Company declares and pays dividend in Indian Rupees.



Notes to the Financial Statements

2. Number of Shares held by each shareholder holding more than 5% Shares in the Company

Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Share holding %	No. of shares	Share holding %
Sachin Ram Menon	1,07,01,660	20.98%	1,07,01,660	20.98%
Gayatri Sachin Menon	72,42,832	14.20%	72,42,832	14.20%
Radhamani Ram Menon	37,00,000	7.25%	25,65,620	5.03%
Sharanya Sachin Menon	42,08,664	8.25%	42,08,664	8.25%
Devika Sachin Menon	42,08,664	8.25%	42,08,664	8.25%
Nivedita Sachin Menon	42,08,660	8.25%	42,08,660	8.25%
Menon Metals & Alloys LLP	36,57,430	7.17%	36,57,430	7.17%

As per records of the company, including its register of shareholders and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3. Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

- The Company has not issued any shares without payment being received in cash.
- The Company has not issued any bonus shares.
- The Company has not undertaken any buyback of shares.

(Rs. in Lakhs)

Note 12: Other Equity	As at March 31, 2020	As at March 31, 2019
Capital Reserve	-	50.66
Opening Balance	50.66	50.66
Less: Transferred to General reserve	(50.66)	-
Securities Premium	807.50	807.50
General Reserve	1,149.55	1,098.89
Opening balance	1,098.89	998.89
Add : Transferred from P & L A/c.	-	100.00
Add: Transferred from Capital Reserve	50.66	-
Retained Earnings	4,989.66	5,304.56
Opening Balance	5,304.56	4,780.53
Add : Profit for the year	438.57	1,007.60
Add : Other Comprehensive income/(loss)	(12.91)	(14.67)
Add : Impact on account adoption of Ind AS 116 (transitional effect)	(3.70)	-
Less: Tax thereon	0.93	-
Less : Appropriations		
Transferred to General reserve	-	(100.00)
Dividend Paid	(612.00)	(306.00)
Tax on Dividend	(125.80)	(62.90)
TOTAL	6,946.71	7,261.61

Notes to the Financial Statements

(Rs. in Lakhs)

Other reserves	As at March 31, 2020	As at March 31, 2019
Capital reserve	-	50.66
General reserve	1,149.55	1,098.89
Securities premium	807.50	807.50
Retained earnings	4,989.66	5,304.56
Total other reserves	6,946.71	7,261.61

1. Dividend distribution made and proposed

(Rs. in Lakhs)

Particulars	2019-2020	2018-2019
Cash dividends on Equity shares declared and paid		
Final dividend for the year ended March 31, 2019:		
Re.0.75 per share (March 31, 2018 : Re. 0.60 Per share)	382.50	255.00
Dividend distribution tax on final dividend	78.62	51.91
Interim Dividend for the year ended March 31, 2020;		
Rs. 0.45 Per share (March 31, 2019 : NIL)	229.50	-
Dividend distribution tax on interim dividend	47.17	-
	737.80	306.91
Proposed dividends on Equity shares		
Final cash dividend proposed for the year ended March 31,2020		
Re. Nil per share (March 31, 2019: Re.0.75 per share)	-	382.50
Dividend distribution tax on proposed dividend	-	78.62
	-	461.12

Proposed dividend on equity shares are subject to approval of the shareholders of the Company at the annual general meeting and are not recognised as a liability (including taxes thereon) as at March 31, 2020 and March 31, 2019.

2. Nature and purpose of other reserves

A. General reserve:

General reserve is created by setting aside amount from the Retained Earnings of the Company for general purposes which is freely available for distribution.

B. Securities Premium:

Securities premium is a premium collected above face value on issue of shares. The reserve can be utilised in accordance with the provisions of the Act.

(Rs. in Lakhs)

Note 13 : Long-term provisions	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits		
Provision for gratuity	-	-
Provision for leave encashment (Refer note no. 19)	64.00	78.44
TOTAL	64.00	78.44

Notes to the Financial Statements

(Rs. in Lakhs)

Note 14: Deferred tax liability (net)	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liability	181.28	249.37
Property, Plant & Equipments & Intangible Assets	169.07	228.17
Provision for Gratuity	12.20	21.20
Less : Deferred Tax Assets	(69.46)	(80.27)
Disallowances u/s 43 B of Income Tax Act.	(66.27)	(80.27)
Others	(3.19)	-
TOTAL	111.81	169.10

1. Reconciliation of deferred tax (assets) / liabilities, net

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Opening balance as of April 1, 2019	169.10	210.26
Tax (income)/expense during the year recognised in profit or loss	(52.01)	(35.13)
Tax (income)/expense during the year recognised in OCI	(4.34)	(6.03)
Tax (income)/expense during the year recognised in Reserves & Surplus	(0.93)	-
Closing balance as at March 31, 2020	111.81	169.10

2. The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

3. Applicable tax rate for current year is 25.168% (compared to the previous year 31st March 2019 : 29.12%)

(Rs. in Lakhs)

Note 15 : Borrowings	Interest Rate	As at March 31, 2020	As at March 31, 2019
Secured Loans repayable on demand From Banks			
Cash credit	MCLR +0.70	404.22	247.25
Less: Interest accrued but not due (Note - 17)		(1.38)	(2.42)
TOTAL		402.84	244.83
Aggregate secured borrowings		402.84	244.83
Aggregate unsecured borrowings		-	-

Notes to the Financial Statements

1. Borrowings are measured at amortised cost.
2. The cash credit is secured by first charge by way of hypothecation of current assets including inventories and trade receivables. Further, it is collaterally secured by way of equitable mortgage of Land & Building situated at 182, shiroli, Kolhapur and at H-1, M.I.D.C. Kupwad Sangli & hypothecation of movable assets (Plant & Machinery and other assets excluding vehicles) of the Company.
3. The Company does not have any continuing defaults in repayment of loans and interest during the year and at reporting date.
4. The loan has been secured by the personal guarantee of Director-Mr. Sachin Menon

4. Net Debt Reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended March 31, 2020.

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Cash and Cash Equivalents	240.10	137.67
Non-Current Borrowings	-	-
Current Borrowings	(402.84)	(244.83)
TOTAL	(162.74)	(107.16)

(Rs. in Lakhs)

Particulars	Cash & Cash Equivalents	Borrowings	Total
Net Debt As on April 1, 2018	192.95	(829.80)	(636.85)
Cash Flows	(55.28)	578.78	523.50
Foreign Exchange Adjustment	-	-	-
Interest paid	-	48.31	48.31
Interest Expense	-	(42.12)	(42.12)
Net Debt As on March 31, 2019	137.67	(244.83)	(107.16)
Cash Flows	102.43	(157.35)	(54.92)
Foreign Exchange Adjustment	-	-	-
Interest paid	-	25.50	25.50
Interest Expense	-	(26.16)	(26.16)
Net Debt As on March 31, 2020	240.10	(402.84)	(162.74)

Notes to the Financial Statements

(Rs. in Lakhs)

Note 16: Trade and other payables	As at March 31, 2020	As at March 31, 2019
Due to Micro and Small enterprises	228.89	247.04
Others	228.89	247.04
Due to other than micro and small enterprises	503.72	852.75
Acceptances	109.40	236.46
Related parties	72.40	138.07
Others	321.92	478.22
TOTAL	732.61	1,099.79

- Trade and other payables are measured at amortised cost.
- For explanations on the Company's Foreign currency risk and liquidity risk management processes, refer to Note 38A.
- The Company has compiled this information based on the current information in its possession as at March 31, 2020, no supplier has intimated the Company about its status as Micro and Small Enterprises or its registration with the appropriate authority under the Micro, Small and Medium Enterprises Development Act, 2006 except as disclosed below.

Disclosures required under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) are given as follows :

(Rs. in Lakhs)

Dues to Micro and Small Enterprises	As at March 31, 2020	As at March 31, 2019
Total amount dues to micro and small enterprises as on Balance Sheet date		
Principal amount due	228.89	247.04
Interest on principal amount due	0.15	-
Total delayed payments micro and small enterprises during the year		
Principal amount	-	-
Interest on principal amount	-	-
Total amount of interest paid to micro and small enterprises during the year	-	-
Total interest accrued and remaining unpaid at the end of the year under MSMED Act	0.15	-
The amount of further interest remaining due and payable even in the succeeding years	0.15	-

Notes to the Financial Statements

(Rs. in Lakhs)

Note 17: Other financial liabilities (Current)	As at March 31, 2020	As at March 31, 2019
(i) Current maturities of long term borrowings	-	-
(ii) Interest accrued but not due on borrowings	1.38	2.42
(iii) Liability towards Investor Education and Protection Fund (under section 125 of Companies Act, 2013 not due)		
a. Unpaid Dividends	20.62	15.25
(iv) Payable for capital purchases	8.06	66.67
(v) Employee benefits payable	290.14	300.62
(vi) Lease liabilities	8.99	-
(vi) Other financial liabilities	161.15	217.90
TOTAL	490.34	602.86

1. Other financial liabilities are measured at amortised cost.
2. For explanations on the Company's interest risk, Foreign currency risk and liquidity risk management processes, refer to Note 38A

(Rs. in Lakhs)

Note 18: Other Current liabilities	As at March 31, 2020	As at March 31, 2019
Advance from customers	4.94	9.74
Statutory Dues		
i) Statutory dues including provident fund and tax	17.11	177.44
ii) Tax deducted at source	5.78	8.63
TOTAL	27.84	195.82

(Rs. in Lakhs)

Note 19 : Short-term provisions	As at March 31, 2020	As at March 31, 2019
Provision for employee benefit		
Provision for leave encashment (Refer note 13)	9.94	11.29
TOTAL	9.94	11.29

Employee Benefit Obligations

a. Compensated absence

The leave obligation covers the Company's liability for earned leaves and sick leaves.

(Rs. in Lakhs)

Note 20 : Revenue from operations	2019-2020	2018-2019
Sale of products	11,590.62	15,113.40
Sale of services	-	-
Total sales and services	11,590.62	15,113.40
Other operating revenues	184.44	496.72
Sale of Disposables	119.62	308.34
Other Sales	1.96	1.10
Developmental Charges	62.86	187.28
TOTAL	11,775.06	15,610.12



Notes to the Financial Statements

(Rs. in Lakhs)

Note 21 : Other income	2019-2020	2018-2019
Interest	15.81	28.65
On Income Tax and Sales Tax Refund	-	3.13
On Other Deposits	15.81	25.51
Dividend income	0.04	0.04
Foreign Exchange Difference	-	-
Gain on disposal of property, plant and equipment	0.23	12.64
Unclaimed credit balances written back	5.63	-
Miscellaneous income	21.21	27.13
TOTAL	42.92	68.45
Note 22 : Cost of raw materials and components consumed	2019-2020	2018-2019
Opening stock of raw material	331.99	297.37
Add: Purchases	4,850.73	6,618.79
Less: Closing stock of raw material	249.96	331.99
TOTAL	4,932.77	6,584.17
Note 23: Changes in inventories of finished goods, work-in-progress and traded goods	2019-2020	2018-2019
Opening inventory	937.01	909.63
Work-in-process	211.44	296.87
Finished goods	725.57	612.76
Closing Inventory	1,413.42	937.01
Work-in-process	301.91	211.44
Finished goods	1,111.51	725.57
TOTAL	(476.41)	(27.38)
Note 24: Employee benefits expense	2019-2020	2018-2019
Salaries, wages, bonus, commission, etc.	1,616.04	1,649.69
Gratuity (Refer Note 35)	30.62	29.90
Contribution to provident and other funds (Refer Note 35)	113.97	114.86
Welfare and training expenses	38.83	33.78
TOTAL	1,799.45	1,825.24
Note 25 : Finance costs	2019-2020	2018-2019
Interest expense - (On working capital & Bill discounting charges)	20.92	45.44
Interest expense on lease liabilities	1.70	-
Other Bank charges	9.01	5.21
Net interest expense/(Income) on defined benefit obligation (Refer Note 35)	(5.47)	(8.53)
TOTAL	26.16	42.12

Notes to the Financial Statements

(Rs. in Lakhs)

Note 26: Depreciation and amortization expense	2019-2020	2018-2019
Depreciation Expense on Property, Plant & Equipments	507.95	475.08
Amortization expense on Intangible assets	10.49	8.03
Amortization Expense on Right of use asset	14.72	-
TOTAL	533.15	483.11

(Rs. in Lakhs)

Note 27: Other expenses	2019-2020	2018-2019
Manufacturing expenses	3,390.61	4,120.01
Stores consumed	933.58	1,240.16
Power and fuel	1,332.21	1,445.58
Machining charges	1,049.42	1,382.49
Repairs to machinery	51.01	26.72
Other manufacturing expenses	24.39	25.06
Selling expenses	654.85	804.62
Selling and distribution expenses	520.62	646.17
Freight and forwarding	134.23	158.45
Administration expenses	400.83	442.78
Rent Rates and taxes	37.47	39.00
Insurance	76.05	74.14
Repairs to building	37.93	57.61
Other repairs and maintenance	62.62	70.91
Travelling and conveyance	46.49	50.44
Printing and stationery	12.57	16.90
Postage and telephone expenses	8.32	10.69
Legal and consultancy charges	42.15	47.60
Auditor's remuneration (Refer Note 33)	4.96	3.67
License fees	2.50	1.25
Donations	0.42	0.38
Spend on CSR activities (Refer Note 37)	25.74	20.60
Non executive directors' fees / commission	0.25	0.19
Miscellaneous expenses	43.37	49.40
TOTAL	4,446.29	5,367.41



Notes to the Financial Statements

(Rs. in Lakhs)

Note 28: Income tax	2019-2020	2018-2019
Current tax	170.00	431.43
Current income tax	170.00	421.00
(Excess)/short provision related to earlier years	-	10.43
Deferred tax	(52.01)	(35.13)
Relating to origination and reversal or temporary difference	(52.01)	(35.13)
Income tax expense reported in the statement of profit and loss	117.99	396.30

Other Comprehensive Income (OCI)

(Rs. in Lakhs)

Particulars	2019-2020	2018-2019
Deferred tax related to items recognised in OCI during the year		
Net (loss)/gain on actuarial gains and losses	4.34	6.03
Deferred tax charged to OCI	4.34	6.03

Tax Reconciliation

(Rs. in Lakhs)

Particulars	2019-2020	2018-2019
Accounting Profit before income tax expense	556.57	1,403.90
Tax @ 25.168% (March 31, 2019 : 29.12%)	140.08	408.82
Tax effect of adjustments in calculating taxable income :	(22.09)	(12.51)
Corporate Social Responsibility expense/Donations (net)	6.48	6.11
Other Disallowances/ (allowances)	(23.64)	(1.40)
Tax Benefits under various Income Tax Sections	(0.59)	(0.76)
Adjustment for taxes of earlier year	-	(10.43)
Remeasurement Gain /(Loss) allowed as expense	(4.34)	(6.03)
Current Tax Expense	117.99	396.30

During the year, section 115BAA has been newly introduced by the CBDT. As per this section, option is given to all existing companies to either pay Income tax as per existing rates (i.e. 25% or 30% plus applicable surcharge and cess) or as per concessional rate of 22% plus applicable surcharge and cess. This new rate is available only if company forgoes certain exemptions and deductions. Since this new rate is beneficial, company has adopted the new tax rate of 25.168% (i.e. 22% including surcharge and cess) for computing income tax & deferred tax for year ended 31st March, 2020 (the rate for 31st March 2019 was 29.12%).

29. Corporate information

Menon Pistons Limited ("the company"), a public limited company established in 1977 under the provisions of the Companies Act 1956, having its registered office at 182, Shiroli, Kolhapur - 416122.

The Company is manufacturing Pistons & Pins for Diesel Engines, Cars, LCVs / HCVs. Company's equity shares are listed on BSE Limited.

Notes to Accounts

30. Significant accounting policies

30.1. Basis of preparation

The standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015 (as amended till date)

The financial statements were authorized for issue by the Board of Directors as on 16th June, 2020.

30.2. Basis of measurement

The financial statements have been prepared on historical cost basis, except for the following items which are measured on alternative basis on each reporting date.

Item	Measurement Basis
Defined Benefit Obligation	Fair Value
Certain Financial Instruments	Fair Value

30.3. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is the company's functional currency. All financial information is presented in INR rounded to the nearest Lakhs except share and per share data, unless otherwise stated.

30.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities and disclosure of the contingent liabilities at the end of each reporting period. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying value of assets or liabilities in future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

1. Estimation of defined benefit obligation – Refer note 35
The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the

valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The most sensitive parameter is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation.

The mortality rate is based on publicly available mortality tables which tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Further details about gratuity obligations are given in Note 35.

2. Deferred tax assets are recognized for all deductible temporary differences including the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.
3. Lease term - The company has applied provisions of Ind AS 116 effective 01st April, 2019. The said standard provides for certain recognition exemptions for short term leases as well as provides for certain criteria when the lease contracts are non-enforceable. The determination of lease term for the purpose of availing such exemptions and evaluation of such criteria for non-enforceability of a contract involves significant judgment.
4. Revenue Recognition - The company recognises revenue for each performance obligation either at a point in time or over a time. In case performance obligation is satisfied over a time, the output method is used to determine the revenue since it is faithfully depicting the company's performance towards complete satisfaction of performance obligation. Practical expedient of "right to consideration" is also considered while recognizing revenue in the amount to which the entity has right to invoice. In case performance obligation is satisfied at a point in time, the company generally recognises revenue when the control is transferred i.e. in case of goods either on shipment or upon delivery in domestic & on date of billing in case of export. In case of services, the revenue is recognized based on completion of distinct performance obligation. Refer significant accounting policy note 30.10 on revenue recognition for information about methods, input and assumptions w.r.t transaction price & variable consideration.

Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset as current when it is:

- Expected to be realised or intended to sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

30.5. Inventories

- Raw materials, components, stores and spares are valued at cost or net realizable value whichever is lower. Cost includes all cost of purchase and incidental expenses incurred in bringing the inventories to their present location and condition. Cost is ascertained using weighted average method.
- Work-in-process and finished goods are valued at cost or net realisable value whichever is lower. Cost includes direct materials, labour costs and a proportion of manufacturing overheads based on the normal operating capacity.
- Materials-in-transit are valued at actual cost incurred up to the date of balance sheet.
- Unserviceable, damaged and obsolete inventory is valued at cost or net realisable value whichever is lower.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

30.6. Cash and short-term deposits

Cash and short-term deposits in the balance sheet comprise cash at banks and on hand and highly liquid short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

30.7. Property, plant and equipment

- **Recognition and measurement**

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost of acquisition or construction less accumulated depreciation and/or accumulated impairment loss, if any. The cost of an item of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Borrowing costs directly attributable to the construction of a qualifying asset are capitalised as part of the cost.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Property, plant and equipment under construction are disclosed as capital work-in-progress.

Advances paid towards the acquisition of property, plant and equipment outstanding at each reporting date are disclosed under "Other non-current assets".

- **Subsequent costs**

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

- **Disposal**

An item of property, plant and equipment is derecognized upon disposal or when no future benefits are expected from its use or disposal. Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net within other income/expenses in the statement of profit and loss.

- **Depreciation**

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognised in the statement of profit and loss generally on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment as prescribed in Schedule II of the Companies Act 2013, except for “Non-factory building (Roads)” where useful life is 6 years, as assessed by the Management of the Company based on technical evaluation.

30.8. Investment Property

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment properties are measured initially at cost, including transaction costs and where applicable borrowing costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure is capitalised to asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Investment properties are depreciated using straight-line method over their estimated useful lives.

30.9. Intangible assets and amortization

- **Recognition and measurement**

Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured.

Intangible assets acquired by the Company that have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level.

- **Subsequent measurement**

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

- **Amortisation**

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in statement of profit and loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

30.10. Revenue recognition

- **Sale of goods**

Company recognises revenue when it transfers control over a good or service to a customer i.e. when it has fulfilled all 5 steps as given by Ind AS 115.

Revenue is measured at transaction price i.e. Consideration to which a company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties and after considering effect of variable consideration, significant financing component.

For contracts with multiple performance obligations, transaction price is allocated to different obligations based on their standalone selling price. In such case, revenue recognition criteria are applied for each separately to different performance obligations, in order to reflect the substance of the transaction and revenue is recognised separately for each obligation as and when the recognition criteria for the component is fulfilled.

For contracts that permit the customer to return an item, revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Amounts included in revenue are net of returns, trade allowances, rebates, goods and service tax, value added taxes.

- **Other income**

Other income comprises of interest income, dividend income, foreign currency gain on financial assets and liabilities.

Interest income is recognised as it accrues in the statement of profit and loss, using the effective interest method. Dividend income is recognised in the statement of profit and loss on the date that the Company's right to receive payment is established.

30.11. Finance costs

Finance costs comprises of interest expense on borrowings, and foreign currency loss (to the extent those are regarded as an adjustment to the finance costs) on financial assets and liabilities. Interest expenditure is recognised as it accrues in the statement of profit and loss, using the effective interest method.

30.12. Foreign currencies transactions

The financial statements are presented in INR, which is also the company's functional currency. All amounts have been rounded to the nearest rupee, unless otherwise indicated.

Transactions and balances

Transactions in foreign currencies are initially recorded at functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognised in profit or loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in OCI or profit or loss are also recognised in OCI or profit or loss, respectively).

Exchange differences are recognized in the Statement of Profit and Loss except to the extent, exchange differences which are regarded as an adjustment to interest costs on foreign currency borrowings, are capitalized as part of borrowing costs.

30.13. Employee Benefits

Short Term Employee Benefits

All employee benefits payable wholly within twelve months of rendering the services, cost of bonus and short term compensated absences, leave travel allowance etc. are recognized in the period in which the employee renders the related service.

Post-Employment Benefits

Defined Contribution Plans

The Company's state governed provident fund scheme and employee state insurance scheme are defined contribution plans. The contribution paid/payable under the scheme is recognized during the period in which the employee renders the related service.

Defined Benefit Plans

The employees' gratuity fund scheme is the Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, (excluding amounts included in net interest on the net defined benefit liability and the return on plan assets) are

recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs. Past service cost is recognized as expenses on a straight-line basis over the average period until the benefits become vested. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

Long Term Employee Benefit

The obligation for long term employee benefits such as long term compensated absences is recognized in the same manner as in the case of defined benefit plans as mentioned above.

Accumulated leaves that are expected to be utilized within the next 12 months are treated as short term employee benefits.

30.14. Income Taxes

Current income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of tax laws enacted or substantially enacted at the end of reporting period. Management periodically evaluates positions taken in tax returns with respect to situation in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred tax

Deferred tax is provided using the balance sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

30.15. Provisions

A Provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources is expected to settle the obligation, in respect of which a reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in case of:

- a) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) present obligation arising from past events, when no reliable estimate is possible.
- c) a possible obligation arising from past events where the probability of outflow of resources is remote.

Contingent assets are disclosed where inflow of economic benefits is probable.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

30.16. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a Lessee

A lessee is required to recognise assets and liabilities for all leases and to recognise depreciation of leased assets separately from interest on lease liabilities in the statement of Profit and Loss. The Company uses the practical expedient to apply the requirements of this standard to a portfolio of leases with similar characteristics if the effects on the financial statements of applying to the portfolio does not differ materially from applying the requirement to the individual leases within that portfolio. However, when the lessee and the lessor each have the right to terminate the lease without permission from the other party with no more than an insignificant penalty the Company considers that lease to be no longer of 12 months or less (short-term leases) and for leases for which the underlying asset is of low value, the lessee is not required to recognize right-of-use asset and a lease liability. The Company applies both recognition exemptions. The lease payments associated with those leases are generally recognized as an expense on a straight-line basis over the lease term or another systematic basis if appropriate.

Right-of-use assets:

Right-of-use assets, which are included under property, plant and equipment, are measured at cost less any accumulated depreciation and, if necessary, any accumulated impairment. The cost of a right-of-use asset comprises the present value of the outstanding lease payments plus any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs and an estimate of costs to be incurred in dismantling or removing the underlying asset. In this context, the Company also applies the practical expedient that the payments for non-lease components are generally recognized as lease payments. If the lease transfers ownership of the underlying asset to the lessee at the end of the lease term or if the cost of the right-of-use asset reflects that the lessee will exercise a purchase option, the right-of-use asset is depreciated to the end of the useful life of the underlying asset. Otherwise, the right-of-use asset is depreciated to the end of the lease term.

Lease Liability:

Lease liabilities, which are assigned to financing liabilities, are measured initially at the present value of the lease payments. Subsequent measurement of a lease liability includes the increase of the carrying amount to reflect interest on the lease liability and reducing the carrying amount to reflect the lease payments made.

As a lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

Transition to Ind AS 116

Ministry of Corporate Affairs (“MCA”) through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustments to retained earnings on the date of initial application. Consequently, the Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate and the ROU asset at its carrying amount as if the standard had been applied since the commencement date of the lease, but discounted at the lessee's incremental borrowing rate at the date of initial application. Comparatives as at and for the year ended March 31, 2019 have not been retrospectively adjusted and therefore will continue to be reported under the accounting policies included as part of our Annual Report for the year ended March 31, 2019.

The following practical expedients have been used by the Company:

1. The lease liability is measured at the present value of the outstanding lease payments only for leases previously classified as operating leases according to Ind AS 17 which are discounted using

incremental borrowing rate at 1 April 2019. The weighted average incremental borrowing rate was 9.35%. The respective right-of-use asset is generally recognized at an amount equal to the lease liability.

2. An impairment review is not performed. Instead, a right-of-use asset is adjusted by the amount of any provision for onerous leases recognized in the balance sheet as at 31 March, 2019.
3. Regardless of their original lease term, leases for which the lease term ends at the latest on 31 March, 2020 are recognized as short-term leases.
4. At the date of initial application, the measurement of a right-of-use asset excludes the initial direct costs.
5. Information in hindsight is given due consideration when determining the lease term if the contract contains options to extend or terminate the lease.

30.17. Impairment of non-financial assets

The Company assesses at each balance sheet date whether there is any indication that an asset or cash generating unit (CGU) may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. The recoverable amount is the higher of an asset's or CGU's net selling price or its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount and the reduction is treated as impairment loss and recognized in profit and loss account. If at any subsequent balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the profit and loss account.

30.18. Fair value measurement

The Company measures financial instruments such as Investments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
- OR
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

External valuation experts are involved for valuation of significant assets and liabilities. Involvement of external valuation experts is decided upon annually by the management.

30.19. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- 1) Debt instruments at amortised cost
- 2) Debt instruments at fair value through other comprehensive income (FVTOCI)
- 3) Debt instruments, derivatives and equity instruments at fair value through profit or loss (FVTPL)
- 4) Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retain substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

Impairment of financial asset

Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a. Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b. Financial assets that are debt instruments and are measured as at FVTOCI
- c. Lease receivables
- d. Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115
- e. Loan commitments which are not measured as at FVTPL
- f. Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- a. Trade receivables or contract revenue receivables; and
- b. All lease receivables resulting from transactions within the scope of Ind AS 116

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used.

Financial liabilities

Initial recognition and measurement

The company initially recognises loans and advances and deposits on the date on which they are originated. All other financial instruments (including regular-way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is measured initially at fair value, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

30.20. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period as reduced by number of shares bought back, if any. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

30.21. Borrowing

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other gains/(losses).

Borrowings are classified as current liabilities unless the group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

30.22. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Qualifying assets are the assets that necessarily take a substantial period of time to get ready for their intended use or sale.

30.23. Standards issued but not effective

Exposure draft on amendments to following standards have been issued by the Institute of Chartered Accountants of India:

A. Issue of Ind AS 117 – Insurance Contracts

The exposure draft of Ind AS 117 was issued by the Institute of Chartered Accountants of India as replacement for Ind AS 104 Insurance Contracts. It requires a current measurement model where estimates are re-measured in each reporting period. Contracts are measured using the building blocks of:

- discounted probability-weighted cash flows
- an explicit risk adjustment, and
- a contractual service margin (CSM) representing the unearned profit of the contract which is recognised as revenue over the coverage period.

The standard allows a choice between recognising changes in discount rates either in the statement of profit or loss or directly in other comprehensive income. The choice is likely to reflect how insurers account for their financial assets under Ind AS 109.

An optional, simplified premium allocation approach is permitted for the liability for the remaining coverage for short duration contracts, which are often written by non-life insurers.

There is a modification of the general measurement model called the 'variable fee approach' for certain contracts written by life insurers where policyholders share in the returns from underlying items. When applying the variable fee approach, the entity's share of the fair value changes of the underlying items is included in the CSM. The results of insurers using this model are therefore likely to be less volatile than under the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

B. Amendments to existing Standards

The Company is in the process of evaluating the impact of these amendment on financial statements.

1. Ind AS 40 – Investment Property

The exposure draft on amendments to Ind AS 40 issued by the Institute of Chartered Accountants of India proposes to reinstate the fair value option thereby providing the entities an accounting policy choice to subsequently measure investment properties using either the cost model or the fair value model.

2. Ind AS 1 – Presentation of Financial Statements and Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors

The exposure draft on amendments to Ind AS 1 and Ind AS 8 issued by the Institute of Chartered

Accountants of India proposes to amend the definition of the term “Material” and to use a consistent definition of materiality throughout Indian Accounting Standards and the Conceptual Framework for Financial Reporting. The amendment clarifies when information is material. In particular, the amendments clarify:

- that the reference to obscuring information addresses situations in which the effect is similar to omitting or misstating that information, and that an entity assesses materiality in the context of the financial statements as a whole, and
- the meaning of 'primary users of general-purpose financial statements' to whom those financial statements are directed, by defining them as 'existing and potential investors, lenders and other creditors' that must rely on general purpose financial statements for much of the financial information they need.

3. Ind AS 103 - Business Combinations

The exposure draft on amendments to Ind AS 103 issued by the Institute of Chartered Accountants of India proposes to amend the definition of “Business”. Proposed guidance provides that an acquisition should include an input and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present (including for early stage companies that have not generated outputs). To be a business without outputs, there will now need to be an organized workforce. It is no longer necessary to assess whether market participants are capable of replacing missing elements or integrating the acquired activities and assets and base the assessments on what has been acquired in its 'current state and condition'. The amendment also provides for an 'optional test', where substantially all of the fair value of gross assets is concentrated in a single asset (or group of similar assets), the assets acquired would not represent a business.

4. Ind AS 109 - Financial Instruments and Ind AS 107 Financial Instruments: Disclosures - Interest Rate Benchmark Reform

The exposure draft on amendments to Ind AS 109 and Ind AS 107 issued by the Institute of Chartered Accountants of India proposes amendments to modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the Inter Bank Offer Rate (IBOR) reforms. Additionally, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

However, such exposure drafts have not been notified by the Ministry of Corporate Affairs ('MCA') to be applicable from 1 April, 2020 as at the date of approval of these financial statements.

Additional notes to the Financial Statements

(Rs. in Lakhs)

31. Contingent liabilities	2019-2020	2018-2019
(a) Claims against the company not acknowledged as debt	-	-
(b) Other money for which the company is contingently liable		
i) Disputed Sales Tax dues (Matter Subjudicise) The Company has filed Appeal to Dy. Commissioner of Sales Tax (Appeals) Pune.	5.00	5.00
ii) Disputed Service Tax Liability 2007-09 (Matter Subjudice) The Company has filed Appeal in CCE (Appeals) Pune-II.	3.31	3.31
iii) Disputed Service Tax Liability 2009-10 (Matter Subjudice) The Company has filed Appeal in CCE (Appeals) Pune-II.	0.96	0.96
iv) Disputed Central Sales Tax Liability (Matter Subjudice) Against these demands related to year 2009-10, an amount of Rs. Nil (Previous year Rs. 12 Lakhs) has been paid under protest. The Company has filed Appeal in Sales Tax Tribunal, Mumbai.	-	20.62
v) Disputed Maharashtra Value Added Tax Liability (Matter Subjudice) Against these demands related to year 2009-10, an amount of Rs. Nil (Previous year Rs. 14 Lakhs) has been paid under protest. The Company has filed Appeal in Sales Tax Tribunal, Mumbai.	-	18.61
TOTAL	9.27	48.50

(Rs. in Lakhs)

32. Commitments	2019-2020	2018-2019
i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	8.13	200.76

(Rs. in Lakhs)

33. Remuneration to Auditors	2019-2020	2018-2019
Statutory Auditors :		
a) Audit Fees	2.55	2.55
b) Tax Audit Fees	0.45	0.45
c) Other services (Certification, GST Audit, etc)	1.44	0.37
d) Expenses reimbursed	0.52	0.30
TOTAL	4.96	3.67

(Rs. in Lakhs)

34. Earnings per Share (Basic and diluted)	2019-2020	2018-2019
a) Profit for the year before tax	556.57	1,403.90
Less : Attributable tax thereto	117.99	396.30
Profit after tax	438.58	1,007.60
b) Weighted average number of equity shares used as denominator	5,10,00,000	5,10,00,000
c) Basic and diluted earning per share of nominal value of Re 1/- each in Rs.	0.86	1.98

35. Employee Benefits :**i) Defined Contribution Plans:**

Amount of Rs. 113.97 Lakhs (Previous Year Rs. 114.86 Lakhs) is recognised as an expense and included in "Employees benefits expense" (Note-24) in the Statement of Profit and Loss .

ii) Defined Benefit Plans:**a) The amounts recognised in Balance Sheet are as follows:**

(Rs. in Lakhs)

Particulars	As at 31st March 2020 Gratuity Plan (Funded)	As at 31st March 2019 Gratuity Plan (Funded)
A. Amount to be recognised in Balance Sheet		
Present Value of Defined Benefit Obligation	(861.82)	(881.04)
Less: Fair Value of Plan Assets	910.30	953.85
Amount to be recognised as (liability) or asset	48.48	72.80
B. Amounts reflected in the Balance Sheet		
Liabilities	-	-
Assets	48.48	72.80
Net (Liability)/Assets	48.48	72.80

b) The amounts recognised in the Profit and Loss Statement are as follows:

(Rs. in Lakhs)

Particulars	2019- 2020 Gratuity Plan (Funded)	2018 - 2019 Gratuity Plan (Funded)
1 Current Service Cost	30.62	29.90
2 Acquisition (Gain)/loss	-	-
3 Past Service Cost	-	-
4 Net Interest (income)/expenses	(5.47)	(8.53)
5 Curtailment (Gain)/ loss	-	-
6 Settlement (Gain)/loss	-	-
Net periodic benefit cost recognised in the statement of profit & loss-(Employee benefit expenses -Note -24 & Finance Cost - Note - 25)	25.15	21.37

c) The amounts recognised in the statement of other comprehensive income (OCI)

(Rs. in Lakhs)

Particulars	2019 - 2020 Gratuity Plan (Funded)	2018 - 2019 Gratuity Plan (Funded)
1 Opening amount recognised in OCI outside profit and loss account	-	-
2 Remeasurements for the year - Obligation (Gain)/loss	(39.07)	15.96
3 Remeasurement for the year - Plan assets (Gain)/ Loss	56.33	4.74
4 Remeasurement arising because of change in effect of asset ceiling	-	-
5 Total Remeasurements Cost / (Credit) for the year recognised in OCI	17.26	20.70
6 Less: Accumulated balances transferred to retained earnings	17.26	20.70
7 Closing balances (remeasurement (gain)/loss recognised OCI	-	-

d) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan (Funded)	As at 31 March 2019 Gratuity Plan (Funded)
1 Balance of the present value of obligation as at beginning of the period	881.04	816.90
2 Acquisition adjustment	-	-
3 Transfer in/ (out)	-	-
4 Interest expenses	66.72	63.88
5 Past Service Cost	-	-
6 Current Service Cost	30.62	29.90
7 Curtailment Cost / (credit)	-	-
8 Settlement Cost/ (credit)	-	-
9 Benefits paid	(77.49)	(45.60)
10 Employer Contribution	-	-
11 Actuarial (Gains)/Losses on obligations - due to Change in demographic assumptions	-	-
12 Actuarial (Gains)/Losses on obligations - due to Change in Financial assumptions.	(35.88)	12.29
13 Actuarial (Gains)/Losses on obligations - due to experience	(3.19)	3.67
Present value of obligation as at the end of the period	861.82	881.04

e) **Changes in the fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows:**

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan (Funded)	As at 31 March 2019 Gratuity Plan (Funded)
1 Fair value of the plan assets as at beginning of the period	953.85	926.02
2 Acquisition adjustment	-	-
3 Transfer in/(out)	-	-
4 Interest income	72.19	72.41
5 Contributions	18.09	5.75
6 Benefits paid	(77.49)	(45.60)
7 Amount paid on settlement	-	-
8 Return on plan assets, excluding amount recognized in Interest Income - Gain / (Loss)	(56.33)	(4.74)
9 Fair value of plan assets as at the end of the period	910.30	953.85

f) **Major Categories of plan assets (as percentage to total plan assets)**

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan	As at 31 March 2019 Gratuity Plan
1 Government of India Securities	-	-
2 High Quality Corporate Bonds	-	-
3 Special Deposit Schemes	-	-
4 Funds Managed by Insurer	100.00%	100.00%
Total	100.00%	100.00%

g) **Net interest (Income) /expenses**

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan (Funded)	As at 31 March 2019 Gratuity Plan (Funded)
1 Interest (Income) / Expense – Obligation	66.72	63.88
2 Interest (Income) / Expense – Plan assets	(72.19)	(72.41)
3 Net Interest (Income) / Expense for the year	(5.47)	(8.53)

h) **Principal actuarial assumptions at the balance sheet date.**

- Discount rate as at 31-03-2020 - 6.84%
- Salary growth rate : For Gratuity Scheme - Ranging 0%-5% p.a (Previous year - 5% p.a.)
- Attrition rate: For gratuity scheme the attrition rate is taken at 2%
- The estimates of future salary increase considered in actuarial valuation take into account inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

i) **The amounts pertaining to defined benefit plans are as follows:**

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan (Funded)	As at 31 March 2019 Gratuity Plan (Funded)
Defined Benefit Obligation	(861.82)	(881.04)
Plan Assets	910.30	953.85
(Surplus) / Deficit	(48.48)	(72.80)

j) General descriptions of defined plans:

Gratuity Plan:

The company has defined benefit gratuity plan in India (funded). The company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to separately administered fund. The fund is managed by trust which is governed by Board of Trustees. The Board of Trustees are responsible for the administration of plan assets and for the definition of the investment strategy.

k) Sensitivity analysis

Sensitivity analysis indicates the influence of a reasonable change in certain significant assumptions on the outcome of the Present value of obligation (PVO). Sensitivity analysis is done by varying (increasing/decreasing) one parameter by 100 basis points (1%)

(Rs. in Lakhs)

Change in Assumption	Effect on gratuity obligation	Effect on gratuity obligation
	As at 31 st March 2020	As at 31 st March 2019
1 Discount rate		
Delta Effect of 1% Increase in Rate of Discounting	(45.64)	(48.26)
Delta Effect of 1% Decrease in Rate of Discounting	50.54	53.44
2 Salary increase rate		
Delta Effect of 1% Increase in Rate of Salary Increase	50.38	53.01
Delta Effect of 1% Decrease in Rate of Salary Increase	(32.74)	(48.94)
3 Withdrawal rate		
Delta Effect of 1% Increase in Rate of Employee Turnover	6.48	7.99
Delta Effect of 1% Decrease in Rate of Employee Turnover	(6.97)	(8.68)

l) Other Details

(Rs. in Lakhs)

Particulars	As at 31 March 2020 Gratuity Plan (Funded)	As at 31 March 2019 Gratuity Plan (Funded)
Expected Contribution for next year (12 months)	13.93	16.83
Expected Future Benefit Obligation	861.82	881.04
Weighted average duration of the Expected Future Benefit Obligation	7.00	7.00

m) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and company is exposed to the Following Risks:

a) Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

b) Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

c) Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a

relatively balanced mix of investments in government securities, and other debt instruments.

d) Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk

e) Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

f) Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

36. Related Party Disclosures

(A) Names of the related party and nature of relationship where control (including common control) exists and transactions entered into:

Sr. No.	Name of the Related Party	Relationship
1	Menon Piston Rings Private Limited	CMD and close members of CMD having Joint control over Entity
2	Menon Exports	CMD and Spouse of CMD are Partners
3	Menon Engineering Services	CMD and Spouse of CMD are Partners
4	Menon Metals and Alloys LLP	CMD and Spouse of CMD are Partners

(B) Names of Key Managerial Personnel & Relatives

Sr. No.	Name of the Related Party	Relationship
1	Mr. Sachin R. Menon	Chairman & Managing Director (CMD)
2	Mr. Ramesh D. Dixit	Non Executive Director
3	Mr. Ajitkumar S. Belur	Independent Director
4	Mr. Subhash G. Kutte	Independent Director
5	Mrs. Sadhana S. Zadbuke	Independent Director
6	Mr. Shrikant R. Sambhoos	Independent Director (w.e.f. - 11th March, 2020)
7	Mrs. Gayatri S. Menon	Spouse of CMD
8	Ms. Sharanya S. Menon	Daughter of CMD
9	Ms. Nivedita S. Menon	Daughter of CMD
10	Ms. Devika S. Menon	Daughter of CMD
11	Late Mr. Ram Menon	Father of CMD
12	Smt. Radhamani Ram Menon	Mother of CMD
13	Dr. Shivram Bhoje	Independent Director (upto - 31st March, 2019)

C) Disclosure of related parties transactions

(Rs. in Lakhs)

Sr. No.	Nature of transaction/ relationship/parties	Relationship	2019-2020		2018-2019	
			Amount	Amount	Amount	Amount
1	Purchase of goods, Services		697.09		715.04	
	Menon Piston Rings Pvt Ltd.	CMD and close members of CMD having joint control over entity		629.46		646.18
	Menon Engineering Services	CMD and Spouse of CMD are partners		67.64		68.86
2	Sale of goods/Contract revenue and Services		2,510.86		3518.72	
	Menon Piston Rings Pvt Ltd	CMD and close members of CMD having joint control over entity		109.21		119.98
	Menon Exports	CMD and Spouse of CMD are partners		2,392.91		3,390.28
	Menon Engineering Services	CMD and Spouse of CMD are partners		8.74		8.46
3	Sale of Fixed Assets		-		4.20	
	Menon Engineering Services	CMD and Spouse of CMD are partners		-		4.20
4	Rent		18.48		18.48	
	Mr. Sachin R. Menon	CMD		16.56		16.56
	Mrs. Gayatri S. Menon	Spouse of CMD		1.92		1.92
5	Remuneration, Commission and Salary		94.58		85.08	
	Mr. Sachin R. Menon	CMD		85.60		79.62
	Ms. Sharanya S. Menon	Daughter of CMD		8.98		5.46
6	Sitting Fees		0.25		0.23	
	Mr. Sachin R. Menon	CMD		0.05		0.04
	Mr. Ramesh D. Dixit	Non Executive Director		0.05		0.04
	Mr. Ajitkumar S. Belur	Independent Director		0.05		0.03
	Mr. Subhash G. Kutte	Independent Director		0.05		0.04
	Mrs. Sadhana S. Zadbuke	Independent Director		0.05		0.04
	Dr. Shivram Bhoje	Independent Director (till 31st March, 2019)		-		0.04

C) Disclosure of related parties transactions

(Rs. in Lakhs)

Sr. No.	Nature of transaction/ relationship/parties	Relationship	2019-2020		2018-2019	
			Amount	Amount	Amount	Amount
7	Interest Received Menon Piston Rings Pvt Ltd	CMD and close members of CMD having joint control over entity	-	-	19.45	19.45
			455.30		227.65	
8	Dividend Paid Mr. Sachin R. Menon Mrs. Gayatri S. Menon Ms. Sharanya S. Menon Ms. Nivedita S. Menon Ms. Devika S. Menon Late Mr. Ram Menon Smt. Radhamani Menon Mr. Ramesh D. Dixit Menon Metals and Alloys LLP	CMD Spouse of CMD Daughter of CMD Daughter of CMD Daughter of CMD Father of CMD Mother of CMD Non Executive Director CMD and Spouse of CMD are partners		128.42		64.21
				86.91		43.46
				50.50		25.25
				50.50		25.25
				50.50		25.25
				8.51		6.81
				35.89		15.39
				0.17		0.08
				43.89		21.94
9	Reimbursement Of Expenses Menon Exports	CMD and Spouse of CMD are partners	2.13		29.61	29.61
				2.13		

Terms and conditions of transactions with related parties

Transaction entered into with related party are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

D) Amount due to/from related parties

(Rs. in Lakhs)

Sr. No.	Nature of transaction/ relationship/parties	Relationship	2019-2020		2018-2019	
			Amount	Amount	Amount	Amount
1	Trade Receivable Menon Exports Menon Piston Rings Pvt. Ltd.	CMD and Spouse of CMD are partners CMD and close members of CMD having joint control over Entity	745.44		983.54	
				617.44		794.80
				128.00		188.74

D) Amount due to/from related parties

(Rs. in Lakhs)

Sr. No.	Nature of transaction/ relationship/parties	Relationship	2019-2020		2018-2019	
			Amount	Amount	Amount	Amount
2	Advance To Suppliers Menon Engineering Services	CMD and Spouse of CMD are partners	5.81	5.81	5.81	5.81
3	Trade Payable Menon Piston Rings Pvt. Ltd. Menon Metals and Alloys LLP	CMD and close members of CMD having joint control over Entity CMD and Spouse of CMD are partners	72.40	72.40	138.08	138.08
					-	
4	Capital Advance Menon Engineering Services	CMD and Spouse of CMD are partners	81.15	81.15	76.04	76.04

E) Transactions with key management personnel

Compensation of key management personnel of the Company

(Rs. in Lakhs)

Particulars	2019-2020	2018-2019
Short-term employee benefits	79.84	74.83
Post employment benefits	5.76	4.80
Other long-term employment benefits	-	-
Termination benefits	-	-
Total Compensation paid to key management personnel	85.60	79.62

The amounts disclosed in the table are the amounts recognised as an expense during the reporting period related to key management personnel.

The above figures do not include provision for leave encashment and gratuity, as actuarial valuation of such provision for the Key Management Personnel is included in the total provision for Leave encashment & gratuity.

37. Corporate Social Responsibility (CSR)

(a) CSR amount required to be spent by the Company as per Section 135 of the Companies Act, 2013 read with Schedule VII thereof during the year is Rs. 24.42 Lakhs (Previous Year Rs. 19.44 Lakhs)

(b) Expenditure related to Corporate Social Responsibility is Rs. 25.74 Lakhs (Previous Year Rs. 20.60 Lakhs)

Details of Amount spent towards CSR is given below:

(Rs. in Lakhs)

Particulars	2019-2020	2018-2019
Education	18.15	3.80
Health	-	0.36
Development of Sports	-	0.10
Arts, Culture and Heritage	-	13.44
Environment, animal welfare	-	2.90
Social Welfare	0.35	-
Women Empowerment	5.22	-
Eradication of Hunger & Poverty	1.33	-
Disaster management	0.69	-
Total	25.74	20.60

38. Fair Value of financial assets and liabilities

a) Set out below, is the fair value of the company's financial instruments that are recognized in the financial statements

(Rs. in Lakhs)

Sr. No.	Particulars	Fair Value	
		As at March 31, 2020	As at March 31, 2019
a)	Financial Assets		
	Carried at amortized cost		
	Non Current Loans-Security Deposits	159.49	132.97
	Trade receivable	2,826.34	4,368.56
	Current loans-Security Deposits	11.57	11.63
	Other financial assets	12.25	8.68
	Cash and cash equivalent	240.10	137.67
	Other bank balances	198.62	47.91
	3,448.87	4,707.41	
b)	Carried at FVTOCI		
	Investments - Non Current	0.37	0.37
	0.37	0.37	
a)	Financial Liabilities		
	Carried at amortized cost		
	Non Current Borrowings (Incl Current maturities)	-	-
	Current borrowings at fixed rate of interest	402.84	244.83
	Trade payable	732.61	1,099.79
	Other current financial liabilities (Current)	490.34	602.86
	1,625.79	1,947.48	

The fair value of the financial assets and liabilities are included at the amount at which the instrument that would be received to sell an asset or paid to transfer liability in an orderly transaction between market participants at the measurement date.

The carrying amounts of financial assets and liabilities measured at amortised cost are a reasonable approximation of their fair values.

Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into three levels prescribed under the accounting standard. An explanation of each level is given in Note no 30.18 of Significant Accounting Policies.

b) Financial assets and liabilities for which fair value is disclosed

(Rs. in Lakhs)

Particulars	Level 1	Level 2	Level 3
Non current investments -Carried at FVTOCI			
March 31, 2020	-	-	0.37
March 31, 2019	-	-	0.37

38 A. Financial risk management policy and objectives

Company's principal financial liabilities, comprise loans and borrowings, trade and other payables, and other financial liabilities. The main purpose of these financial liabilities is to finance company's operations. Company's principal financial assets include trade and other receivables, security deposits, investments, cash and cash equivalents and other bank balances that are derived directly from its operations. Company is exposed to certain risks which includes market risk, credit risk and liquidity risk. Risk Management committee of the company oversees the management of these risks. This committee is accountable to audit committee of the board. This process provides assurance to the company's senior management that company's financial risk- taking activities are governed by the appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with company's policies and risk appetite.

The policies for managing these risks are summarised below.

1) Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits, foreign exchange transactions and other financial instruments.

The Company uses expected credit loss model for assessing and providing for credit risk.

a) Trade receivable

Customer credit risk is managed through the company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. Trade receivables are non interest bearing and are generally on 30 days to 75 days credit terms. The company has no concentration of risk as customer base is widely distributed both economically and geographically.

i) Ageing analysis of trade receivable as on reporting date

(Rs. in Lakhs)

Particulars	Not Due	Less than 1 year	More than 1 year	Total
March 31, 2020	1,802.66	911.19	112.49	2,826.34
March 31, 2019	2,982.54	1,088.61	297.41	4,368.56

ii) Movement of impairment Allowance (allowance for bad and doubtful debts)

(Rs. in Lakhs)

Particulars	Total
Loss Allowance as at April 1 2018	-
Provided during the year	-
Amounts written off	-
Amount written back	-
Loss Allowance as at 31 March 2019	-
Provided during the year	-
Amounts written off	-
Amount written back	-
Loss Allowance as at 31 March 2020	-

b) Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the company's finance department in accordance with company's policy. Investments of surplus funds are made only in fixed deposits and within credit limits assigned to each counterparty. Company monitors rating, credit spreads and financial strength of its counter parties. Based on ongoing assessment company adjust it's exposure to various counterparties. Company's maximum exposure to credit risk for the components of statement of financial position is the carrying amount.

2) Liquidity risk

Liquidity risk is the risk that the company may not be able to meet it's present and future cash flow and collateral obligations without incurring unacceptable losses. Company's objective is to, at all time maintain optimum levels of liquidity to meet it's cash and collateral requirements. Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing including overdraft, debt from domestic banks at optimised cost.

The table summarises the maturity profile of company's financial liabilities based on contractual undiscounted payments

(Rs. in Lakhs)

Particulars	On demand	Less than 1 year	More than 1 year	Total
a) Trade Payables				
March 31, 2020	-	722.86	9.75	732.61
March 31, 2019	-	1,099.79	-	1,099.79
b) Borrowings				
March 31, 2020	402.84	-	-	402.84
March 31, 2019	244.83	-	-	244.83
c) Other Financial Liabilities				
March 31, 2020	20.62	469.72	-	490.34
March 31, 2019	15.25	587.62	-	602.87

The Company has access to following undrawn facilities at the end of the reporting period

Particulars	Floating Rate	
	Expiring within 1 Year	Expiring beyond 1 Year
March 31, 2020	MCLR +0.70	-
March 31, 2019	MCLR +0.90	-

3) Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk interest rate risk, currency risk and other price risk such as equity price risk and commodity risk. Financial instruments affected by market risk include loans and borrowings, deposits and investments.

Company's activities expose it to variety of financial risks, including effect of changes in foreign currency exchange rate and interest rate.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate loans and borrowings. The company does not account for any fixed-rate financial assets or financial liabilities at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

b) Foreign Currency Exposure Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency). However, company manages its exposures towards export receivables by routing major sales through a export house wherein sales is denominated in a local currency. So, foreign currency exposure risk is restricted to minimum amount of need-based imports of consumables and Property, plant & equipment.

38B. Impairment of financial assets: Expected credit loss

Provision for expected credit loss

Internal rating	Category	Description of category	Basis of recording expected credit loss	
			Loans and deposits	Trade receivables
A	High quality asset, negligible credit risk	Assets where the counter party has strong capacity to meet obligations and where risk is negligible or nil.	12 months expected credit losses	Life- time expected credit losses - simplified approach
B	Standard asset, moderate credit risk	Assets where there is moderate risk of default and where there has been low frequency of defaults in past.		

Internal rating	Category	Description of category	Basis of recording expected credit loss	
			Loans and deposits	Trade receivables
C	Low quality asset, High credit risk	Assets where there is high probability of default. In general, assets where contractual payments are more than year past due are categorised as low quality asset. Also includes where credit risk of counter party has increased significantly through payments may not be more than a year past due.	Life- time expected credit losses	Life- time expected credit losses - simplified approach
D	Doubtful asset- credit impaired	Assets are written off, when there is no reasonable expectations of recovery. Where loans and receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivables due. Where recoveries are made, these are recognised in profit or loss.	Asset is written off	

As at 31st March 2020

1) Expected credit loss for loans, security deposits and investments

(Rs. in Lakhs)

Particulars		Asset group	Internal rating	Estimated gross carrying amount of default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 months expected credit losses	Financial assets for which credit risk has not increased significantly from inception	Loans - Security Deposits	A	171.06	-	-	171.06
		Other Financial Assets	A	12.75	-	-	12.75
Loss allowance measured at life time expected credit losses	Financial assets for which credit risk has increased significantly and not credit impaired	Nil					
	Financial assets for which credit risk has increased significantly and credit impaired	Nil					

2) Expected credit loss for trade receivables under simplified approach

(Rs. in Lakhs)

Particulars	Not due	Past due but not impaired		Total
		Less than 1 year	More than 1 year	
Gross carrying amount	1,802.66	911.19	112.49	2,826.34
Expected loss rate	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-
Carrying amount of trade receivable (Net of impairment)	1,802.66	911.19	112.49	2,826.34

As at 31st March 2019

1) Expected credit loss for loans, security deposits and investments

(Rs. in Lakhs)

Particulars		Asset group	Internal rating	Estimated gross carrying amount of default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 months expected credit losses	Financial assets for which credit risk has not increased significantly from inception	Loans	A	144.60	-	-	144.60
		Fixed Deposits	A	8.68	-	-	8.68
Loss allowance measured at life time expected credit losses	Financial assets for which credit risk has increased significantly and not credit impaired	Nil					
	Financial assets for which credit risk has increased significantly and credit impaired	Nil					

2) Expected credit loss for trade receivables under simplified approach

(Rs. in Lakhs)

Particulars	Not due	Past due but not impaired		Total
		Less than 1 year	More than 1 year	
Gross carrying amount	2,982.54	1,088.61	297.41	4,368.56
Expected loss rate	-	-	-	-
Expected credit losses (Loss allowance provision)	-	-	-	-
Carrying amount of trade receivable (Net of impairment)	2,982.54	1,088.61	297.41	4,368.56

39. Capital management

For the purpose of the company's capital management, capital includes issued equity capital, share premium and all other equity reserves. The primary objective of the company's capital management is to maximise the shareholders value.

The company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. Company monitors capital using a gearing ratio, which is, net debt divided by total capital plus net debt. Company's policy is to keep the gearing ratio between 0% and 40%. The company includes within net debt, interest bearing loans and borrowings, less cash and cash equivalents, excluding discontinued operations. However, recently company has focused on becoming zero debt company in order to minimise interest burden and maximum profits.

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Loans and borrowings (including Current maturities)	402.84	244.83
Less: Cash and Bank Balance	438.72	185.58
Net debt	-35.88	59.25
Equity	7,456.71	7,771.61
Capital and net debt	7,420.83	7,830.86
Gearing %	-0.48%	0.76%

40. Leases

40.1 Change in Accounting Policy

Except as specified below, the company has consistently applied the accounting policies to all periods presented in this financial statements. The Company has applied Ind AS 116 with the date of initial application of 1st April, 2019. As a result, the Company has changed its accounting policy for lease contracts as detailed below:

The Company has applied Ind AS 116 using the modified retrospective approach, under which the cumulative effect of initial application is recognized in retained earnings at 1st April, 2019 amounting to Rs. 2.77 lakhs (net of tax)

(Rs. in Lakhs)

Particulars	Amount
Lease Commitment as at 31st March, 2019	25.77
Add: Contracts reassessed as lease contracts	-
Add: Adjustments on account of termination/modification	-
Lease Liabilities as on 1st April, 2019	25.77
Current lease liability	16.78
Non-Current lease liability	8.99

Right of use assets of Rs. 22.08 lakhs and lease liabilities of Rs 25.77 lakhs have been recognised as on 1st April, 2019

The impact of change in accounting policy on account on adoption of Ind AS 116 as at 1st April 2019 is as follows :

(Rs. in Lakhs)

Particulars	Amount
Decrease in Property, Plant and Equipment by	-
Increase in lease liability by	25.77
Increase in right of use by	22.08
Decrease in deferred tax assets by	-1.33
Increase in finance cost by	1.70
Increase in depreciation by	14.72

Company as lessee

The Company has entered into agreement in the nature of lease agreement with different lessors for the purpose of guest house/transit house to the employees of the Company.

These are generally in nature of operating lease and disclosure in regard to Ind AS 116 is as below -

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Depreciation charge for 'Right-to-Use Asset'	14.72	-
Interest Expense on Lease Liability	1.70	-
Carrying amount of 'Right-to-Use Asset' at the end of the reporting period	7.36	-
Total Cash outflow for leases	18.48	-
Expense relating to short term leases and leases of low value assets	-	-

The details of the maturities of lease liabilities as at March 31, 2020 are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Within one year	8.99	-
After one year but not more than 5 years	-	-
More than five years	-	-
Total	8.99	-

Operating lease commitments — Company as lessor

The company has entered into operating leases for land and non-factory building, with lease terms of ten years. The company has the option to lease the assets for additional terms. The lease rent is increased by 10% after 3 years. During the year, Income earned from lease rent amount to Rs. 5.68 lakhs. Future minimum rentals receivable under non-cancellable operating leases as at 31 March 2020 are as follows:

(Rs. in Lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Within one year	4.24	4.24
After one year but not more than 5 years	22.90	18.00
More than five years	18.92	20.52
Total	46.05	42.76

41. Segment Reporting

Company operates in single segment as business of Pistons, Pins and Auto Shafts (Auto Components). The Executive Management Committee monitors the operating results of entire company as whole for the purpose of making decisions about resource allocation and performance assessment.

42. Estimation uncertainty relating to Global health pandemic on COVID-19:

The 'severe acute respiratory syndrome coronavirus 2' (SARS-CoV-2) virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian economy. On March 11, 2020 the COVID-19 outbreak was declared as a global pandemic by the World Health Organization. The Government of India declared a lock down effective from March 23, 2020 which was initially till April 14, 2020 and is now extended till May 31, 2020. Accordingly Manufacturing facilities of the Company were closed on March 23, 2020. The Company has since obtained required permissions and restarted its places of business, albeit, partially since 5th May, 2020.

The extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government mandated or elected by the Company. The company has made Initial assessment of

recoverability of its assets like trade receivables, Inventories and other asset based on internal as well as external information up to the date, conducted sensitivity analysis of the assumptions used and is reasonably certain that these need not be impaired. However the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration which may be different from that estimated as at the date of approval of these financial results, and the Board will continue to closely monitor the developments.

43. Previous Years figures are rearranged and regrouped wherever necessary

As per our report of even date
M/s. P. G. Bhagwat
Chartered Accountants
FRN:101118W

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

Mr. Akshay B. Kotkar
Partner
Membership No.140581
UDIN : 20140581AAAABS6408

Mr. Sachin Menon
Chairman & Managing Director
DIN:00134488

Mr. R. D. Dixit
Director
DIN:00626827

Place : Kolhapur
Date : June 16. 2020

Mr. S.B.P. Kulkarni
CFO & Associate Vice President

Mr. Pramod Suryavanshi
Company Secretary

Notes

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IATF 16949
ISO 9001