

## Morganite Crucible (India) Limited

CIN number - L26920MH1986PLC038607

Registered Office: B-11, MIDC Industrial Area, Waluj, Aurangabad 431 136

Website : www.morganmms.com | Contact Details : +91 240 6652502, 6652520, 6652523

## Statement of unaudited financial results for the quarter and six months ended 30 September 2018

## Part 1: Statement of unaudited financial results

(Rs. In lakhs)

| Particulars  | 3 months ended | 3 months ended | Corresponding 3     | 6 months ended | Corresponding 6   | Year to date |
|--|----------------|----------------|---------------------|----------------|-------------------|--------------|
|  | 30-09-2018     | 30-06-2018     | months ended in the | 30-09-2018     | months ended in   | figures for  |
|  | Unaudited      | Unaudited      | previous year       | Unaudited      | the previous year | current year |
|  |                |                | (Refer note 3)      |                | (Refer note 3)    | ended        |
|  |                |                |                     |                |                   | 31-03-2018   |
|  |                |                |                     |                |                   | Audited      |
| 1. Revenue from operations   |                |                |                     |                |                   |              |
| (a) Sale of products   | 3,011.47       | 3,166.91       | 2,508.72            | 6,178.38       | 5,303.24          | 10,655.15    |
| (b) Other operating revenues   | 4.46           | 3.87           | 69.38               | 8.33           | 111.57            | 259.79       |
|  | 3,015.93       | 3,170.78       | 2,578.10            | 6,186.71       | 5,414.81          | 10,914.94    |
| 2. Other income  | 202.75         | 238.23         | 76.13               | 440.98         | 184.49            | 318.37       |
| 3. Total income (1+2)  | 3,218.68       | 3,409.01       | 2,654.23            | 6,627.69       | 5,599.30          | 11,233.31    |
| 4. Expenses  |                |                |                     |                |                   |              |
| (a) Cost of materials consumed   | 1,377.99       | 907.74         | 949.64              | 2,285.73       | 1,802.50          | 3,484.11     |
| (b) Changes in inventories of finished goods and work-in-progress            | (125.34)       | 232.51         | (94.28)             | 107.17         | (32.62)           | 155.06       |
| (c) Excise duty  | -              | -              | -                   | -              | 178.09            | 178.30       |
| (d) Employee benefits expense  | 459.06         | 474.91         | 449.97              | 933.97         | 883.48            | 1,687.73     |
| (e) Depreciation and amortisation expense                                    | 101.54         | 100.09         | 105.61              | 201.63         | 211.07            | 422.65       |
| (f) Other expenses   | 945.69         | 857.39         | 779.93              | 1,803.08       | 1,653.31          | 3,163.01     |
| Total expenses   | 2,758.94       | 2,572.64       | 2,190.87            | 5,331.58       | 4,695.82          | 9,090.86     |
| 5. Profit before tax (3 - 4)   | 459.74         | 836.37         | 463.36              | 1,296.11       | 903.47            | 2,142.45     |
| 6. Tax expense   |                |                |                     |                |                   |              |
| - Current tax  | 141.34         | 238.72         | 131.64              | 380.06         | 301.11            | 714.05       |
| - Deferred tax   | (2.77)         | 16.39          | 30.05               | 13.62          | 16.85             | 39.96        |
|  | 138.57         | 255.11         | 161.69              | 393.68         | 317.96            | 754.01       |
| 7. Profit for the period (5-6)   | 321.17         | 581.26         | 301.67              | 902.43         | 585.51            | 1,388.44     |
| 8. Other comprehensive income  |                |                |                     |                |                   |              |
| <i>Items that will not be reclassified subsequently to profit or loss</i>    |                |                |                     |                |                   |              |
| (Gain)/Loss on Remeasurement of define benefit obligation                    | (4.34)         | 18.55          | (7.99)              | 14.21          | 7.45              | (4.18)       |
| Income tax relating to items that will not be reclassified to profit or loss | 1.26           | (5.40)         | 2.77                | (4.14)         | (2.57)            | 1.45         |
| Other comprehensive income for the period, net of income tax                 | (3.08)         | 13.15          | (5.22)              | 10.07          | 4.88              | (2.73)       |
| 9. Total comprehensive income for the period (7-8)                           | 324.25         | 568.11         | 306.89              | 892.36         | 580.63            | 1,391.17     |
| 10. Paid-up equity share capital (Face value per share Rs.10)                | 280.00         | 280.00         | 280.00              | 280.00         | 280.00            | 280          |
| 11. Earnings Per Share (EPS) (Rs.)   |                |                |                     |                |                   |              |
| *(not annualised )   | *              | *              | *                   | *              | *                 | *            |
| (a) Basic EPS  | 11.47          | 20.76          | 10.77               | 32.23          | 20.91             | 49.59        |
| (b) Diluted EPS  | 11.47          | 20.76          | 10.77               | 32.23          | 20.91             | 49.59        |

Ahasre



**Morganite Crucible (India) Limited**  
**CIN number - L26920MH1986PLC038607**  
Registered Office: B-11, MIDC Industrial Area, Waluj, Aurangabad 431 136  
Website : www.morganmms.com | Contact Details : +91 240 6652502, 6652520, 6652523  
**Statement of unaudited financial results for the quarter and six months ended 30 September 2018**

**Part 2: Statement of Assets and Liabilities**

| Particulars                                   | (Rs. In lakhs)      |                     |
|---|---------------------|---------------------|
|   | As At<br>30-09-2018 | As At<br>31-03-2018 |
|   | (Unaudited)         | (Audited)           |
| <b>ASSETS</b>                                 |                     |                     |
| <b>Non-current assets</b>                     |                     |                     |
| Property, plant and equipment                 | 2,588.56            | 2,590.31            |
| Capital work-in-progress                      | 117.36              | 15.56               |
| Goodwill                                      | 137.81              | 137.81              |
| Other intangible assets                       | 0.53                | 2.01                |
| <b>Financial assets</b>                       |                     |                     |
| a) Other financial assets                     | 58.68               | 58.22               |
| Deferred tax asset (net)                      | 45.37               | 54.85               |
| Income tax assets (net)                       | 250.09              | 245.63              |
| Other non-current assets                      | 155.94              | 149.62              |
| <b>Total Non-current assets (A)</b>           | <b>3,354.34</b>     | <b>3,254.01</b>     |
| <b>Current assets</b>                         |                     |                     |
| Inventories                                   | 2,103.24            | 1,783.96            |
| <b>Financial assets</b>                       |                     |                     |
| a) Trade receivables                          | 1,658.49            | 1,696.51            |
| b) Cash and cash equivalents                  | 3,528.80            | 3,600.21            |
| c) Other balances with banks                  | 614.29              | 438.18              |
| d) Loans                                      | 11.05               | 11.46               |
| e) Other financial assets                     | 285.32              | 7.30                |
| Other current assets                          | 380.54              | 625.15              |
| <b>Total Current assets (B)</b>               | <b>8,581.73</b>     | <b>8,162.77</b>     |
| <b>Total assets (A+B)</b>                     | <b>11,936.07</b>    | <b>11,416.78</b>    |
| <b>Equity and liabilities</b>                 |                     |                     |
| <b>Equity</b>                                 |                     |                     |
| Equity share capital                          | 280.00              | 280.00              |
| Other equity                                  | 9,163.96            | 8,812.34            |
| <b>Total equity (C)</b>                       | <b>9,443.96</b>     | <b>9,092.34</b>     |
| <b>Non-current liabilities</b>                |                     |                     |
| Provisions                                    | -                   | -                   |
| <b>Total Non-current liabilities (D)</b>      | <b>-</b>            | <b>-</b>            |
| <b>Current liabilities</b>                    |                     |                     |
| <b>Financial liabilities</b>                  |                     |                     |
| a) Trade payables                             | 1,686.92            | 1,752.30            |
| b) Contractual Liability                      | -                   | -                   |
| c) Derivative Contract Liability              | 7.31                | 0.40                |
| d) Other financial liabilities                | 359.29              | 209.22              |
| Other current liabilities                     | 151.87              | 143.11              |
| Provisions                                    | 188.06              | 120.75              |
| Income tax liabilities (net)                  | 98.66               | 98.66               |
| <b>Total Current liabilities (E)</b>          | <b>2,492.11</b>     | <b>2,324.44</b>     |
| <b>Total liabilities (D+E)</b>                | <b>2,492.11</b>     | <b>2,324.44</b>     |
| <b>Total - equity and liabilities (C+D+E)</b> | <b>11,936.07</b>    | <b>11,416.78</b>    |

**Notes**

- The above results for the quarter and six months ended 30 September 2018 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 13 November 2018. These financial results have been prepared in accordance with the recognition and measurement principles laid down in the Companies (Indian Accounting Standards) Rules, 2015 specified under section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
- The Statutory Auditors of the Company have conducted a limited review of the financial results of the Company for the quarter and six months ended 30 September 2018.



*Abhane*

3. Pursuant to the scheme of amalgamation approved by National Company Law Tribunal by its Order dated 22 February 2018, Diamond Crucible Company Limited (100% subsidiary) was amalgamated with the Company with effect from 1 October 2017. As per the requirements of Appendix C of IND AS 103, being a common control business combination, financial information presented in the financial results in respect of corresponding quarter ended in the previous year have been restated as if the business combination had occurred from the beginning of the previous year i.e. 1 April 2016 in the financial statements for the year ended 31 March 2018. Accordingly, the Company has prepared a reconciliation of the net profit for the corresponding period for giving the effect of the scheme of amalgamation.

| Sr No. | Nature of adjustment   | Corresponding 3 months ended in the previous year 30-09-2017 | Corresponding six months ended in the previous year 30-09-2017 |
|--------|--|--|--|
| 1      | Total comprehensive income as per earlier published financial results                    | 242.23   | 492.69   |
| 2      | <b>Adjustments to financial results -</b>  |  |  |
| i)     | Effect of amalgamation   | 65.70  | 90.03  |
| ii)    | Actuarial loss/(gain) on defined benefits plans recognised in Other Comprehensive Income | (1.59)   | (3.19)   |
| iii)   | Deferred tax on the above adjustments  | 0.55   | 1.10   |
|        | <b>Total Adjustments</b>   | <b>64.66</b>   | <b>87.94</b>   |
| 3      | Total comprehensive income for the period as per these statements                        | <b>306.89</b>  | <b>580.63</b>  |

4. The Board of Directors of the Company declared interim dividend of Rs.4 per equity share at its meeting held on 13 November 2018. Interim dividend would be paid to those shareholders, whose names appear in the Register of Members as on 16 November 2018.

5. The Company is of the view that manufacturing of crucibles continues to be the only reportable segment. Accordingly, there is no separate reportable segments in accordance with Ind AS 108 - Operating Segments.

6. The Company has adopted Ind AS 115 Revenue from Contracts with Customers (which replaces earlier revenue recognition standard) using the cumulative effect method (without practical expedients), with the effect of initially applying this standard recognised at the date of initial application (i.e. 1 April 2018). Accordingly, the information presented for the previous year ended 31 March 2018/corresponding quarter and six months ended 30 September 2017 has not been restated - i.e. it is presented, as previously reported, under Ind AS 18, Revenue and Ind AS 11, Construction Contracts.

There is no impact of transition to Ind AS 115 on retained earnings as on 1 April 2018. The following table summarises the impact of adopting Ind AS 115 on the Company's financial results for the quarter and six months ended 30 September 2018 for each of the line items affected -

| Particulars             | Note     | As reported for the quarter ended 30 September 2018 | Impact of Ind AS 115 | Amounts without adoption of Ind AS 115 |
|-------------------------|----------|---|----------------------|--|
| Revenue from operations | (a), (b) | 3,015.93  | 112.65               | 3,128.58                               |
| Other Income            | (a)      | 202.75  | (98.20)              | 104.55                                 |
| Other Expenses          | (b)      | 945.69  | 14.45                | 960.14                                 |

| Particulars             | Note     | As reported for the six months ended 30 September 2018 | Impact of Ind AS 115 | Amounts without adoption of Ind AS 115 |
|-------------------------|----------|--|----------------------|--|
| Revenue from operations | (a), (b) | 6,186.71   | 282.97               | 6,469.68                               |
| Other Income            | (a)      | 440.98   | (258.20)             | 182.78                                 |
| Other Expenses          | (b)      | 1,803.08   | 24.77                | 1,827.85                               |

6(a) Export incentive under various schemes notified by the Government were classified in the Statement of Profit & Loss under the head "Other operating income". However, under Ind AS 115, export incentives received from Government has been classified as other income.

6(b) In some cases, the Company makes transport arrangements for delivering its goods to the customers. Until 1 April 2018, the gross consideration received in respect of these arrangements were recognised and presented in revenue from operations. Further, the cost associated with these arrangements was presented within freight cost in Other Expenses. In accordance with Ind AS 115, the Company has presented the gross consideration received, net off cost associated with respect to these arrangements within revenue.

7. Figures for the previous year period/year have been regrouped/rearranged wherever necessary.

For MORGANITE CRUCIBLE (INDIA) LIMITED

*Aniruddha Karve*

Aniruddha Karve  
(Director)

DIN: 07180005

Place: Aurangabad, India  
Date: 13 November 2018



# B S R & Associates LLP

Chartered Accountants

KRM Tower, 1<sup>st</sup> & 2<sup>nd</sup> Floor,  
No 1, Harrington Road, Chetpet,  
Chennai - 600 031, India.

Telephone : +91 44 4608 3100  
Fax : +91 44 4608 3199

## Limited review report on unaudited quarterly financial results pursuant to Regulation 33 of the Listing Regulations

To  
Board of Directors of Morganite Crucible (India) Limited

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Morganite Crucible (India) Limited ('the Company') for the quarter ended 30 September 2018 and year to date results for the period from 1 April 2018 to 30 September 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity* specified under section 143(10) of the Companies Act, 2013 ('the Act'). This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

During an earlier year, the Company paid managerial remuneration of Rs. 10,207,067 to Late Hitesh Saiwal - Managing Director which was in excess of the limits specified in section 197 read with Schedule V of the Act by Rs. 7,300,563. The Company had made an application to the Central Government for waiver of such excess remuneration paid which was rejected by the Central Government. Further, based on the management's evaluation of the response received from legal heirs of Late Hitesh Saiwal to the notice sent for recovery of such excess remuneration, the Company had filed the application with the Central Government to reconsider its aforesaid Order. Due to the amendment in section 197 of the Act w.e.f. 12 September 2018, the application made to the Central Government is abated. The Company is in the process of complying with the conditions laid down under Section 197. Our report is not modified in respect of this matter.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For B S R & Associates LLP**  
Chartered Accountants

Firm Registration No: 116231W/ W-100024

Hash Lakhota

**Harsh Lakhota**  
Partner

Membership No. 222432

Place: Chennai  
Date: 13 November 2018

B S R & Associates (a partnership firm with Registration No. BA69226) converted into B S R & Associates LLP (a Limited Liability Partnership with LLP Registration No. AAB-8182) with effect from October 14, 2013

**Registered Office:**  
5<sup>th</sup> Floor, Lodha Excelus  
Apollo Mills Compound  
N.M. Joshi Marg, Mahalakshmi  
Mumbai - 400 011