

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 2019

Part 1 : Statement of unaudited financial results for the quarter and six months ended 30 September 2019

(Rs. in lakhs)

Particulars	3 months ended	3 months ended	3 months ended	6 months ended	6 months ended	Year to date
	30-09-2019	30-06-2019	30-09-2018	30-09-2019	30-09-2018	figures for
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	current year
						31-03-2019
						Audited
1. Revenue from operations	2,816.13	3,401.15	3,015.93	6,217.28	6,186.71	12,013.66
2. Other income	133.27	144.22	202.75	277.49	440.98	595.12
3. Total income (1+2)	2,949.40	3,545.37	3,218.68	6,494.77	6,627.69	12,608.78
4. Expenses						
(a) Cost of materials consumed	887.12	1,449.17	1,377.99	2,336.29	2,285.73	4,567.97
(b) Purchases of stock-in-trade	140.37	45.29	-	185.66	-	-
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	111.59	(73.07)	(125.34)	38.52	107.17	180.46
(d) Employee benefits expense	455.71	477.74	459.06	933.45	933.97	1,826.03
(e) Finance cost	0.20	0.23	-	0.43	-	-
(f) Depreciation and amortisation expense	133.29	124.65	101.54	257.94	201.63	431.42
(g) Other expenses	863.71	897.84	945.69	1,761.55	1,803.08	3,416.91
Total expenses	2,591.99	2,921.85	2,758.94	5,513.84	5,331.58	10,422.79
5. Profit before tax (3 - 4)	357.41	623.52	459.74	980.93	1,296.11	2,185.99
6. Tax expense						
- Current tax	69.21	202.02	141.34	271.23	380.06	614.85
- Deferred tax	20.55	(2.32)	(2.77)	18.23	13.62	34.38
Total Tax Expense	89.76	199.70	138.57	289.46	393.68	649.23
7. Profit for the period (5-6)	267.65	423.82	321.17	691.47	902.43	1,536.76
8. Other comprehensive income for the period	(3.25)	17.69	(3.08)	14.44	10.07	34.01
9. Total comprehensive income for the period (7-8)	270.90	406.13	324.25	677.03	892.36	1,502.75
10. Paid-up equity share capital (Face value per share Rs.10)	280.00	280.00	280.00	280.00	280.00	280.00
11. Earnings Per Share (EPS) (Rs.)						
*(not annualised)	*	*	*	*	*	*
(a) Basic EPS	9.56	15.14	11.47	24.70	32.23	54.88
(b) Diluted EPS	9.56	15.14	11.47	24.70	32.23	54.88



Part 2: Statement of unaudited assets and liabilities

Particulars	(Rs. In lakhs)	
	As At 30-09-2019	As At 31-03-2019
	(Unaudited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	2,911.56	2,913.65
Capital work-in-progress	665.66	359.97
Right to use asset	20.61	-
Goodwill	137.81	137.81
Other intangible assets	18.70	21.06
Financial assets	51.77	46.36
a) Other financial assets	22.27	34.44
Deferred tax asset (net)	452.23	412.20
Income tax assets (net)	79.00	74.77
Other non-current assets	-	-
Total Non-current assets (A)	4,359.61	4,000.26
Current assets		
Inventories	2,472.92	2,062.90
Financial assets	1,506.90	1,703.74
a) Trade receivables	3,215.72	2,088.03
b) Cash and cash equivalents	620.67	2,389.01
c) Other balances with banks	20.67	12.39
d) Loans	18.18	24.75
e) Other financial assets	777.34	434.27
Other current assets	8,632.40	8,715.09
Total Current assets (B)	8,632.40	8,715.09
Total assets (A+B)	12,992.01	12,715.35
Equity and liabilities		
Equity		
Equity share capital	280.00	280.00
Other equity	9,911.94	9,639.98
Total equity (C)	10,191.94	9,919.98
Non-current liabilities		
Provisions	17.57	17.15
Total Non-current liabilities (D)	17.57	17.15
Current liabilities		
Financial liabilities		
a) Trade payables	289.45	272.52
(i) dues of micro enterprises and small enterprises	1,671.90	1,822.09
(ii) dues of creditors other than micro enterprises and small enterprises	396.12	415.69
b) Other financial liabilities	91.33	39.50
Other current liabilities	227.07	129.79
Provisions	106.63	98.63
Income tax liabilities (net)	2,782.50	2,778.22
Total Current liabilities (E)	2,782.50	2,778.22
Total liabilities (D+E)	2,800.07	2,795.37
Total - equity and liabilities (C+D+E)	12,992.01	12,715.35



Part 3: Unaudited cashflow statement

Particulars	(Rs. in lakhs)	
	Six months period ended	
	30-09-2019 (Unaudited)	30-09-2018 (Unaudited)
A) Cash flow from operating activities		
Profit before tax	980.93	1,296.11
Adjustments for :		
Interest income	(73.92)	(66.11)
Finance cost	0.43	-
(Gain)/ Loss on account of foreign currency transactions and translation	4.95	(17.24)
Depreciation and amortization expense	257.94	201.63
(Gain)/loss on sale of property, plant and equipment	-	0.43
Provision for doubtful receivables	0.19	0.53
	189.59	119.24
Changes in working capital :		
Inventories	(410.02)	(319.28)
Trade receivables	187.22	64.87
Loans, other financial assets and other assets	(361.41)	(40.05)
Trade payables, other financial liabilities ,other liabilities and provisions	(87.43)	101.54
Cash generated from operating activities	498.88	1,222.43
Income taxes paid (net)	(303.26)	(384.52)
Net cash flows generated from operating activities (A)	195.62	837.91
B) Cash flows from investing activities		
Purchase of property, plant and equipment	(518.95)	(272.81)
Proceeds from sale of property, plant and equipment	-	2.10
Maturity of / (Investment in) bank deposits (net)	1,762.90	(177.36)
Interest received	97.98	66.11
Net cash generated from / (used in) investing activities (B)	1,341.93	(381.96)
C) Cash flows from financing activities		
Repayment of Lease Liability including interest	(3.01)	-
Payment of dividend (including Dividend Distribution Tax thereon)	(405.55)	(540.09)
Net cash (used in) financing activities (C)	(408.56)	(540.09)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,128.99	(84.14)
Effect of exchange differences on cash and cash equivalents held in foreign currency	(1.30)	12.73
Cash and cash equivalents at the beginning of the period	2,088.03	3,600.21
Cash and cash equivalents at the end of the period	3,215.72	3,528.80
Components of cash and cash equivalents		
Cash and cash equivalents comprises of:		
Cash on hand	0.23	0.37
Bank balances		
- in current accounts	2,742.06	3,293.07
- Export Earner's Foreign Currency account	315.75	235.36
- in deposits accounts (with original maturity of 3 months or less)	157.68	-
Total cash and cash equivalents at the end of the period	3,215.72	3,528.80

Notes

- The above results for the quarter and six months ended 30 September 2019 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 12 November 2019. 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 2019.
- The shareholders at the Annual general meeting held on 07 August 2019 approved dividend of Rs. 12 per equity share (i.e.120% on face value of Rs. 10 each) for the financial year ended 31 March 2019 which was subsequently paid during the quarter ended 30 September 2019. The amount was recognised as distributions to equity shareholders. The total appropriation was Rs.405.07 lakhs, including corporate dividend tax of Rs.69.07 lakhs.
- The Company recognizes its sale of crucibles activity as its only primary business segment since its operations predominantly consist of manufacture and sale of crucibles to its customers. The 'Chief Operating Decision Maker' monitors the operating results of the Company's business as single segment. Accordingly in context of Ind AS 108 "Operating Segments" the principle business of the Company constitute a single reportable segment.
- Effective April 1, 2019, the Company adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the practical expedient of showing Right to Use Asset equal to Lease Liability on April 1, 2019 on the date of initial application. Accordingly, comparatives information have not been restated. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 23.60 lakhs including leasehold land of INR 12.55 lakhs and a lease liability of Rs. 11.05 lakhs. The effect of adoption of this standard is not significant on the profit for the period and earnings per share.



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6. On 20 September 2019, the Government has brought in the Taxation Laws (Amendment) Ordinance 2019 to make certain amendments in the Income Tax Act 1961 (the Act) and the Finance (No. 2) Act 2019. The amendment provides for an option for domestic companies to avail a concessional tax rate of 22% (Effective Tax Rate 25.17%), subject to certain conditions. The management is in the process of evaluating the option of availing the benefit of the concessional tax rate or continue with the old tax rate. Accordingly, the tax provision is being made at the Effective Tax Rate of 29.12% for the quarter and six months period ended on 30 September 2019.
7. On 17 October 2019, the Board of Directors have approved the plan to close the Mehsana facility of Isostatic Press by March 2020 and move the same to Aurangabad. This move will allow the Company the benefit of running an integrated facility at a single location in Aurangabad and will have the benefit of cost synergies. The Management is awaiting the approval of the shareholders before finalizing the plan for closing the facility in Mehsana. Under the said restructuring, majority of the plant & machinery will be transferred to Aurangabad. Any write offs are not expected to be significant. The leasehold land and building held in the said facility will be transferred/sold. Since the approval from shareholders is pending, the Company has not reclassified the land and building as non current asset held for sale.
8. The Financial Results have been made available to the Stock Exchanges where the Company's securities are listed and are posted on the Company's website (www.morganmms.com).

For MORGANITE CRUCIBLE (INDIA) LIMITED


Vikas Kadlag
(Managing Director)
DIN: 05122774

Place: Aurangabad, India
Date: 12 November 2019

