

Morganite Crucible (India) Limited  
CIN Number - L26920MH1986PLC038607

Registered Office: 8-11, MIDC Industrial Area, Waluj, Aurangabad 431 136  
Website : www.morganmms.com | Contact Details : +91 240 6652502, 6652520, 6652523

Statement of financial results for the quarter and year ended 31 March 2021

(₹ In lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2021	Dec 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Unaudited	Unaudited	Unaudited	Audited	Audited
1. Revenue from operations	3,463.66	3,259.11	3,052.36	10,685.52	12,855.36
2. Other income	0.67	190.60	171.73	408.79	664.30
3. Total income (1+2)	3,464.33	3,449.71	3,224.09	11,094.31	13,519.66
4. Expenses					
(a) Cost of materials consumed (Refer note 11)					
(b) Purchases of stock-in-trade	1,056.92	1,917.05	1,432.39	3,931.90	4,778.95
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress (Refer note 11)	164.74	137.41	84.62	391.31	379.01
(d) Employee benefits expense	(4.58)	(659.64)	(491.05)	192.22	(175.17)
(e) Finance cost	403.31	376.93	412.58	1,553.61	1,823.13
(f) Depreciation and amortization expense	-	-	0.14	-	0.74
(g) Other expenses (Refer note 11)	138.91	142.73	134.92	565.83	534.43
(h) Closure and Relocation expenses relating to Mehsana Plant (Refer note 6)	1,385.51	1,035.99	972.76	3,405.76	3,731.89
	(3.66)	20.87	26.49	160.04	605.58
Total expenses	3,141.15	2,971.34	2,572.85	10,200.67	11,678.56
5. Profit/(Loss) before tax (3 - 4)	323.18	478.37	651.24	893.64	1,841.10
6. Exceptional Items (Refer note 7)	-	310.00	-	310.00	-
7. Profit after exceptional items and before tax (5 - 6)	323.18	168.37	651.24	583.64	1,841.10
8. Tax expense					
- Current tax (Refer note 8)	42.61	247.64	195.95	310.91	519.99
- Short provision in respect of earlier years (Refer note 8 & 9)	(85.57)	538.49	-	452.92	30.80
- Deferred tax	(1.22)	(89.07)	29.28	(86.73)	(21.42)
Total Tax Expense	(44.18)	697.06	225.23	677.10	529.37
9. Profit/(Loss) for the period/year (7-8)	367.36	(528.69)	426.01	(93.46)	1,311.73
10. Other comprehensive gain/(loss) for the period/year - Items that will not be reclassified subsequently to profit or loss (net of tax)	(44.91)	(50.21)	(25.02)	2.82	(44.23)
11. Total comprehensive income/(loss) for the period/year (9-10)	322.45	(578.90)	400.99	(90.64)	1,267.50
12. Paid-up equity share capital (Face value per share ₹ 5) (Refer note 3)	280.00	280.00	280.00	280.00	280.00
13. Earnings Per Share (EPS) (₹ ) (Refer note 3)					
*(reinstated )			*		*
(a) Basic EPS	6.56	(9.44)	7.61	(1.67)	23.42
(b) Diluted EPS	6.56	(9.44)	7.61	(1.67)	23.42

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Part 2: Statement of assets and liabilities

Particulars	(₹ In lakhs)	
	As At 31-Mar-21 (Audited)	As At 31-Mar-20 (Audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2,856.72	3,018.15
Capital work-in-progress	2,153.19	1,904.29
Right to use asset	10.70	16.15
Goodwill	137.81	137.81
Other intangible assets	19.17	20.70
<b>Financial assets</b>		
a) Other financial assets	34.76	97.06
Deferred tax asset (net)	156.53	70.75
Income tax assets (net)	203.10	454.22
Other non-current assets	5.47	37.08
<b>Total Non-current assets (A)</b>	<b>5,577.45</b>	<b>5,756.21</b>
<b>Current assets</b>		
Inventories (Refer note 11)	1,771.80	2,155.77
<b>Financial assets</b>		
a) Trade receivables	2,229.13	2,319.18
b) Cash and cash equivalents	3,564.08	2,821.60
c) Other balances with banks	137.36	22.28
d) Loans	10.12	14.71
e) Other financial assets	34.50	12.23
Other current assets	491.87	741.35
Non current assets held for sale (Refer Note 6)	101.32	101.32
<b>Total Current assets (B)</b>	<b>8,340.18</b>	<b>8,188.44</b>
<b>Total assets (A+B)</b>	<b>13,917.63</b>	<b>13,944.65</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	280.00	280.00
Other equity	9,963.77	10,502.41
<b>Total equity (C)</b>	<b>10,243.77</b>	<b>10,782.41</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
a) Trade payables		
(i) dues of micro enterprises and small enterprises	192.97	293.52
(ii) dues of creditors other than micro enterprises and small enterprises	2,012.69	1,691.73
b) Other financial liabilities	493.97	491.17
Other current liabilities	478.36	270.79
Provisions	245.16	234.79
Income tax liabilities (net)	250.71	180.24
<b>Total Current liabilities (D)</b>	<b>3,673.86</b>	<b>3,162.24</b>
<b>Total liabilities (D)</b>	<b>3,673.86</b>	<b>3,162.24</b>
<b>Total - equity and liabilities (C+D)</b>	<b>13,917.63</b>	<b>13,944.65</b>

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Part 3: Cashflow statement

Particulars	(₹ In lakhs)	
	Year ended	
	31-Mar-21 (Audited)	31-Mar-20 (Audited)
<b>A) Cash flow from operating activities</b>		
Profit before tax	583.64	1,841.10
Adjustments for :		
Interest income	(11.47)	(110.66)
Finance cost	-	0.74
(Gain)/ Loss on account of foreign currency transactions and translation	(25.71)	(6.56)
Depreciation and amortization expense	565.83	534.43
Property, plant and equipment written off	-	86.94
Gain on sale of property, plant and equipment	(3.13)	(3.23)
Provision for/ (reversal of) inventory obsolescence	-	15.25
Provision for doubtful receivables	24.61	29.61
	<b>550.13</b>	<b>546.52</b>
Changes in working capital :		
Inventories	383.97	(108.12)
Trade receivables	87.79	(623.02)
Loans, other financial assets and other assets	264.03	(279.17)
Trade payables, other financial liabilities, other liabilities and provisions	494.26	226.61
Cash generated from operating activities	<b>2,363.82</b>	<b>1,603.92</b>
Income taxes paid (net)	(442.24)	(511.20)
Net cash flows generated from operating activities (A)	<b>1,921.58</b>	<b>1,092.72</b>
<b>B) Cash flows from investing activities</b>		
Purchase of property, plant and equipment and intangible assets (including movement in capital work in progress and capital advances)	(690.11)	(2,412.01)
Proceeds from sale of property, plant and equipment	46.92	6.33
Investment in bank deposits	(1,029.01)	(763.41)
Maturity of bank deposits	913.93	3,079.41
Interest received	11.47	133.71
Net cash generated from / (used in) investing activities (B)	<b>(746.80)</b>	<b>44.03</b>
<b>C) Cash flows from financing activities</b>		
Repayment of Lease Liability including interest	-	(5.76)
Payment of dividend (including Dividend Distribution Tax thereon)	(444.57)	(405.07)
Net cash (used in) financing activities (C)	<b>(444.57)</b>	<b>(410.83)</b>
Net increase / (decrease) in cash and cash equivalents ( A+B+C )	<b>730.21</b>	<b>725.92</b>
Effect of exchange differences on cash and cash equivalents held in foreign currency	12.27	7.65
Cash and cash equivalents at the beginning of the year	2,821.60	2,088.03
Cash and cash equivalents at the end of the year	<b>3,564.08</b>	<b>2,821.60</b>
Components of cash and cash equivalents		
Cash and cash equivalents comprises of:		
Cash on hand	0.28	0.35
Bank balances		
- in current accounts	3,202.71	1,823.16
- Export Eamer's Foreign Currency account	302.92	291.60
- in deposits accounts (with original maturity of 3 months or less)	58.17	706.49
<b>Total cash and cash equivalents at the end of the year</b>	<b>3,564.08</b>	<b>2,821.60</b>

Notes

- The above results for the quarter and year ended 31 March 2021 have been reviewed by the Audit Committee and thereafter approved by the Board of Directors at their respective meetings held on 31 May 2021. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").
- The Statutory Auditors of the Company have conducted audit of the annual financial results and review of quarterly financial results of the Company for the year/quarter ended 31 March 2021.
- In the Annual General Meeting of shareholders of the Company held on 06 August 2020, shareholders had approved sub-dividing the face value of equity shares of ₹ 10/- each to ₹ 5/- each, pursuant to the provisions of the Companies Act, 2013. After the sub-division of equity shares, the authorized share capital and paid up share capital of the Company stands sub-divided to 1,09,00,000 equity shares of ₹ 5 each aggregating to ₹ 545 lakhs and 56,00,000 equity shares of ₹ 5 each aggregating ₹ 280 lakhs, respectively. The record date was 1 September 2020 after which the sub-division of share capital was effective. Hence the effect has been given to Earnings Per Share in the financial results for the quarter ended 31 March 2020 and year ended 31 March 2020.
- The comparative financial information included in the above Statement for the quarter and year ended 31 March 2020 have been reviewed/audited by the predecessor auditor.
- 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.
- During the previous financial year 2019-20, subsequent to the receipt of the approval from Board of Directors on 17 October 2019 and Shareholders on 2 December 2019, the Company had shut down the operations of Mehsana Plant with effect from 1 February 2020 in a phased manner. The Land and Building amounting to ₹ 101.32 lakhs was reclassified under "Non current assets held for sale". The management incurred expenditure of ₹ 605.58 lakhs during the financial year 2019-20. Further, during the year ended 31 March 2021 the Company has incurred an additional expense of ₹ 160.04 lakhs which mainly includes charges for assets transportation and their restoration at Aurangabad. During the year the management has identified a potential buyer for sale of Land and Building of Mehsana Plant. The management has entered into an "Memorandum of Understanding" (MOU) dated 12 February 2021 for completion of the sale by June 2021.
- During the year ended 31 March 2021 the Company has initiated the discussions with the workers for the voluntary retirement scheme (VRS) and the Company has considered a provision of ₹ 310 lakhs as exceptional item in the financial results. The Board of Directors in their meeting held on 10 February 2021 has approved the Voluntary Retirement Scheme-2021 ("Scheme").
- During the financial year 2016-17, the management had applied for Advance Pricing Agreement ("APA") for the period of nine years i.e. From FY 2012-13 to FY 2020-21. Subsequently, the Management has submitted application to Principal Chief Commissioner of Income Tax (International taxation) on 31 July 2020 for withdrawal of APA for the rollback periods (i.e. from FY 2012-13 to FY 2015-16 (four years)) to avail the benefit of Vivad se Vishwas Scheme ("the VsV") which was announced by the Government of India in 2020 budget. During the current year the Company has assessed and provided for additional tax liability of ₹ 373.99 lakhs (which includes ₹ 312.43 lakhs for short provision in respect of earlier years) based on the in-principle approval received from the APA commissioner.
- Union Budget, 2020 announced Vivad se Vishwas Scheme ("the VsV"), to provide for dispute resolution in respect of pending income tax litigation. Management has filed the application for the VsV scheme for the financial years 2011-12 and 2012-13 for the unit located at Aurangabad and for the financial years 2008-09, 2010-11 to 2014-15 and 2016-17 for the unit located at Mehsana. The Company has received the acknowledgement for the acceptance of VsV application in the month of December 2020. During the year ended 31 March 2021, the Company has accounted the provision for tax towards VsV scheme amounting to ₹ 140.46 lakhs as short provision in respect of earlier years.
- The Company's operations and financial results for the year have been impacted due to the lockdown by the central and state government authorities to contain the spread of COVID-19 outbreak. The operations gradually resumed with requisite precautions during the year. The Company has assessed the impact of pandemic on its financial results/position based on the internal and external information available up to the date of approval of these financial results and expects to recover the carrying value of its assets. However, the actual impact may be different from that estimated as at the date of approval of these financial results.
- Raw materials and packing materials, work in progress, finished goods, and stores and spare parts as at 31 March 2020 have been reclassified. On account of reclassification, the amount of closing stock of raw material and packing material has decreased by ₹ 163.07 lakhs, work in progress has decreased by ₹ 39.64 lakhs, finished goods has increased by ₹ 402.32 lakhs and stores and spares has decreased by ₹ 199.60 lakhs (with consequential impact of increase in consumption of raw materials by ₹ 163.07 lakhs, stores and spare by ₹ 199.60 lakhs and decrease in change in inventory of finished goods and work in progress by ₹ 362.67 lakhs, increase in other expenses by ₹ 199.60 lakhs) to reflect appropriate classification. This has no impact on profit before tax and earnings per share for the quarter and year ended as at that date.  
  
Pursuant to above reclassification as at/for the year ended 31 March 2020, the published amounts reported of cost of material consumed has decreased by ₹ 163.07 lakhs, changes in inventory of finished goods and work in progress has increased by ₹ 362.67 lakhs and Other expenses has decreased by ₹ 199.60 lakhs in the results for the three months ended 30 June 2020, for the six months ended 30 September 2020 and for the nine months ended 31 December 2020. This has no impact on profit before tax and earnings per shares reported in the respective period results.
- The Code on Social Security, 2020 ("Code") relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the rules are yet to be framed. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective and the related rules are published.
- The Financial Results have been made available to the Stock Exchange where the Company's securities are listed and are posted on the Company's website ([www.morganmms.com](http://www.morganmms.com)).



A handwritten signature in blue ink, appearing to read "Vikas Kadlag".