WE SHAPE THE WORLD

Through efficient melting solutions using advanced material science and engineering

Annual Report
2023-24

INSIDE THE REPORT

CAUTIONARY STATEMENT

In this annual report, we have disclosed forward-looking information to enable investors comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically produce/publish, may contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements would be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties, and even inaccurate assumptions. If known or unknown risks or uncertainties materialise, or if underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. We undertake no obligation to publicly update any forward-looking statements, whether because of new information, future events or otherwise.

To view this report online, please log in:
www.morganmms.com

WE SHAPE THE WORLD

THROUGH EFFICIENT MELTING SOLUTIONS USING ADVANCED MATERIAL SCIENCE AND ENGINEERING

For over a century and half, we have been at the forefront of the crucible and foundry industry, continually evolving to meet the dynamic needs of our global clientele. Our legacy of shaping the future is built on our dedication to engineering superior products and solutions that not only enhance industrial processes but also drive progress in various sectors.

As we look towards the future, sustainability is at the heart of our innovation strategy. We are dedicated to optimising natural resource consumption through advanced technologies and practices. By integrating sustainability into our operations, we ensure that our products and processes are both efficient and environmentally responsible. This commitment to sustainable innovation not only supports our mission to shape the world but also contributes to a greener future.

Through our state-of-the-art manufacturing capabilities and forward-thinking approach, we are shaping industries, influencing markets, and driving positive change. Our expertise and dedication are crafting a world of possibilities, today and for generations to come. Under the ethos *"We Shape the World"*, we continue to enhance our impact and make a meaningful difference.

About Morganite Crucible (India) Limited

CRAFTING A LEGACY, SHAPING THE FUTURE

IDENTITY

Morganite Crucible (India) Limited (hereinafter referred to as "we", "our", or, "us") is a part of Morgan Advanced Materials Plc., a distinguished UK-based Group. We are recognised as a leading manufacturer of high-performance crucibles, foundry consumables, and allied refractory products. Our rich heritage dates back to 1856 when six Morgan Brothers began manufacturing their patented graphite crucibles in Battersea, England. Over the past century and a half, we have continually evolved, driven by our unwavering commitment to engineering innovation.

BACKGROUND

As part of the Thermal Products Division, we excel in providing comprehensive melting solutions to foundries, die-casters, and metal-melting facilities. Our expertise spans across various metals including zinc, precious metals, aluminium, copper, brass, and other non-ferrous metals. The Business is renowned for its unparalleled technical competence and an extensive range of crucibles tailored to the metal sector. This profound knowledge and application enable us to respond swiftly and effectively to the needs of our customers worldwide.

MANUFACTURING EXCELLENCE

Our state-of-the-art manufacturing facility in Aurangabad, India, stands as a testament to our advanced manufacturing capabilities. We serve a diverse clientele through our extensive sales and distribution network, both within India and across the globe. Our commitment to excellence and customer satisfaction remains at the forefront of our operations, ensuring we continue to lead in the field of high-performance crucibles and refractory products.

PIONEERING EXCELLENCE

Innovation

Consistently pushing the boundaries of engineering innovation, ensuring our products meet the highest standards of performance and reliability

Expertise

Unparalleled technical competence and extensive industry knowledge enable us to provide tailored solutions that address the unique needs of our customers

Heritage

With a legacy dating back to 1856, our long-standing history reflects our dedication to quality, innovation, and customer satisfaction

OUR PRODUCT PORTFOLIO

Our best-in-class product offerings include silicon carbide crucibles, clay graphite crucibles, and a wide range of foundry and allied products for ferrous and non-ferrous metal industries. Each product is meticulously designed to match the specific characteristics and operational requirements of our customers' metal melting, holding, or transfer applications. Our diversified portfolio caters to a broad spectrum of industries such as mining, automotive, industrial machinery, electrical equipment, and railways. Available in various shapes and sizes, our products exemplify quality and precision, ensuring optimal performance and reliability in every application.

Crucibles


Syncarb Z2e2


Suprex


Sigma


Excel & Himelt


Salamander


Ladle Liners

Foundry Products


Degassing Rotors and Mobile Degassing Unit


Blue Lightning Thermocouple Sheaths


Skimmer Bowls


Nozzle


Stopper Rods and Heads


Launders & Liners


Morcem Cement


Tubes & Plunger Mix


Transfer Ladle

Distinguished attributes of our products

- Consistency
- Reliability
- Energy efficiency
- Durability
- Performance
- Quality

OUR KEY STRENGTHS

Brand Recall and Recognition

Our advanced manufacturing capabilities, robust support from our parent company, technical expertise, skilled workforce, and domain knowledge have established Morgan as a strong brand with a 40% market share in the industry

Technical Expertise

We benefit from continuous support from our parent company to enhance our innovation and technical know-how. Collaborating with our customers, we create personalised products and solutions tailored to their needs

Focus on Quality

Quality is the cornerstone of our corporate philosophy. Our quality management system is compliant with ISO 9001:2015, and we consistently deliver precision-quality products and services, ensuring customer satisfaction

Maintaining Safety Standards

The safety and well-being of our stakeholders and employees are paramount. We have implemented practices and processes across our factories and organisations to ensure zero harm to all employees

Prestigious Clientele

Our esteemed clients include notable corporates such as Tata Group, Hindustan Pencil, Indian Railways, Jindal Saw, Titan Company Limited, Sundaram Clayton Group, Mahindra CIE, and Bajaj Auto, among others

DIRECTOR'S COMMUNIQUE

"Our team remains focussed on executing Morgan's strategy, which we believe is key to the long-term interests of our shareholders. Our strategy is centred on world-class material science, application engineering, and customer focus while maintaining our commitment to the core values of working safely and ethically."

Dear Shareholders,

I am pleased to share an update on the performance of Morganite Crucible (India) Limited for FY 2023-24.

The year was marked by two significant challenges: input cost inflation at the start of the year and a cyberattack on the networks of the ultimate holding company.

I am delighted to report that our company and our teams have successfully overcome the inflationary challenges, stabilising and growing the operating margins during the year.

We have also smoothly navigated the impediments presented by the cyberattack, returning to business as usual in the first quarter of 2023-24. Subsequently, we have developed our IT systems to ensure robust protection going forward.

Our team remains focussed on executing Morgan's strategy, which we believe is key to the long-term interests of our shareholders. Our strategy is centred on world-class material science, application engineering, and customer focus while maintaining our commitment to the core values of working safely and ethically. The safety and well-being of our employees are paramount, and I am pleased to report that during the year there were no lost time accidents in the business.

We will continue to prioritise business opportunities that allow us to build a solid value proposition with strong resultant margins, leading to sustainable profitable growth. A key highlight for this year is that our company revenues grew by 8.63%, while operating margins strengthened. We have maintained investment levels in R&D to support product innovation in our portfolio.

As we look to the year ahead, some of our markets present a challenging outlook, but the diversified nature of our company means that we are well-placed to address these challenges.

I thank the members of the Board for their continued support in ensuring the organisation's success.

I also take this opportunity to thank our employees, business partners, and investors once again for their continued support during these difficult times and look forward to a healthy, safe, and successful year ahead.

Thank you for continuing to support our business and our vision.

Yours Sincerely,

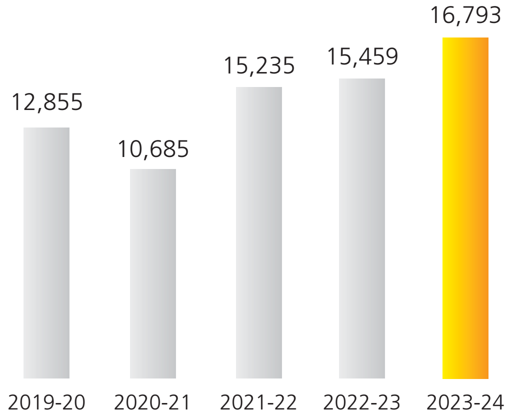
DR. ANIRUDDHA KARVE

Director,
Morganite Crucible (India) Limited

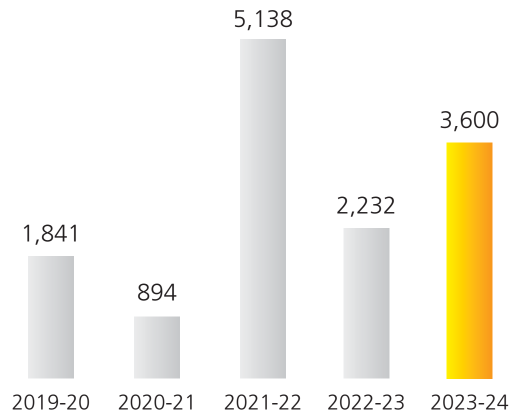
Financial Highlights

EXCELLENCE ESTABLISHED THROUGH PERFORMANCE

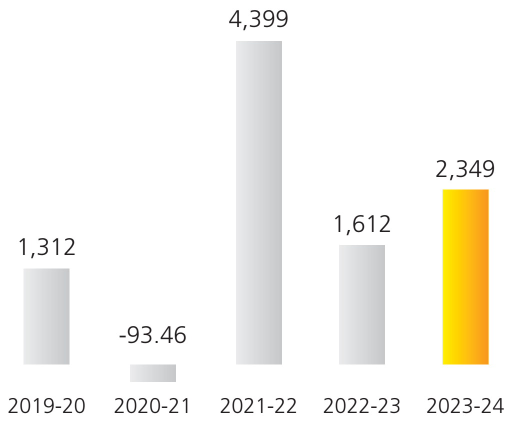
REVENUE
(₹ in Lakhs)



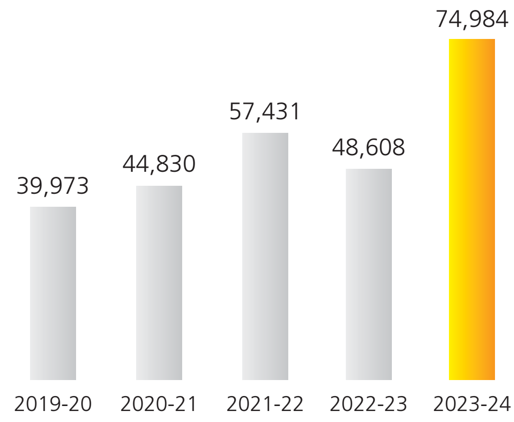
PROFIT BEFORE TAX
(₹ in Lakhs)



PROFIT AFTER TAX
(₹ in Lakhs)

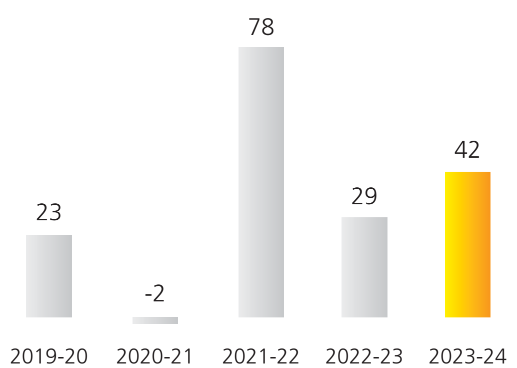


MARKET CAPITALISATION
(₹ in Lakhs)



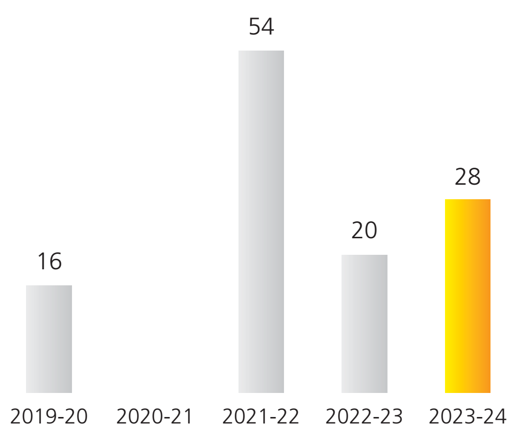
EARNINGS PER SHARE

(₹)



DIVIDEND PER SHARE

(₹)



Corporate Social Responsibility

SHAPING THRIVING COMMUNITIES

We are cognizant of the fact that our responsibility as a corporate social citizen extends beyond servicing our customer with high-quality products. We are deeply committed to making a positive impact on the communities we operate in through corporate social activities such as grocery donation and improving infrastructure at schools.

During the year, we have donated grocery at Urmi Ashram in Aurangabad where 26 children above the age of 18 resided. The objective of this Ashram is to ensure that these young adults do not stray of their path, and complete their study. All the 26 children of this Ashram are graduation pursuers.

The year also saw us invest in improvement of infrastructure of Prabhakarrao Bhor School, Ambikhalsa. In a school of 204 students, 98 were of scheduled caste, and the school was in need of interactive flat panel and digital display panel for high education. We intervened, and helped the school with their requirement since we believe that these students are the future of the country, and we should do our bit in shaping a better world. Now, students come from nearby villages and towns to study in this school.

Board's Report

MANAGEMENT DISCUSSION AND ANALYSIS

To,
The Members of
Morganite Crucible (India) Limited

The Board of Directors ("Board") of your Company are pleased to present herewith the Thirty Ninth (39th) Annual Report of Morganite Crucible (India) Limited and the Audited Financial Statements for the financial year ended March 31, 2024.

FINANCIAL PERFORMANCE:

Your Company's financial performance for the financial year ended March 31, 2024 is summarized as below:

(₹ in Lakhs)

Particulars	For the Financial year ended	
	March 31, 2024	March 31, 2023
Revenue from Operations	16,794	15,459
Other income	610	483
Total income	**17,404**	**15,942**
Operating Expenses	12,945	12,934
Profit before finance cost, depreciation and amortisation	**4,459**	**3,008**
Depreciation and Amortisation Expense	845	776
Finance Cost	14	0.00
Profit before tax	**3,600**	**2,232**
Provision for tax	930	620
Exceptional Item	321	-
Profit after tax (Loss)	**2,349**	**1,612**

DIVIDEND:

The Board of Directors in their meeting held on November 9, 2023, had paid an interim dividend of ₹28/- per share to the equity shareholders of the Company as on record date of November 24, 2023. In view of performance recorded by the Company as of March 31, 2024, your Directors are pleased to recommend a final dividend of ₹12/- per share to the equity shareholders of the Company as on record date of August 06, 2024.

The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at https://www.morganmms.com/en-gb/investors/

FINANCIAL PERFORMANCE:

The Company revenue from Operations for the financial year 2023-24 was ₹16,794 lakhs, as against ₹15,459 lakhs in the previous year. The gross profit before tax and depreciation was ₹4,459 lakhs as against ₹ 3,008 lakhs in the previous year. The operating expenses increased to ₹12,945 lakhs as against ₹12,934 lakhs the previous year.

Further, no other material changes or commitments have occurred between the end of the financial year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

ECONOMIC SCENARIO AND BUSINESS OUTLOOK:

The largest single geographic market for your company's products is India. India's economic growth continues to be resilient, and it will continue to be one of the fastest growing economies in the G20 in coming year. With Indian GDP growth at 6.9% in FY 2023-24, demand will continue to be driven by private consumption and private investment as well as substantial government spending to improve transport infrastructure, logistics, and the business ecosystem. In addition, the Indian foundry industry is experiencing tail winds driven by the diversification of global supply chains away from a primary reliance on China. This should create a positive business outlook for the Company in the Indian market for the coming year.

The global economy growth is expected to continue to be slow in the coming year due to geopolitical impacts, elections in major economies, and a pause in investments in the industrial sectors in view of anticipated interest rate cuts. For year 2023-24 the two biggest export markets are Europe and Africa & middle east. There was remarkable export in Africa & middle east part of the country and expected the same in coming year. The American markets continue to slow down in demand due to weak consumer confidence and worries about the continuing Russia-Ukraine conflict, and there is fear of an industrial slowdown in the USA as the boost given by the IRA fades and the industrial sector awaits any potential changes to trade policy driven by the results of the Presidential election in Nov 2024. We do see positive market sentiment in Southeast Asia due to the global supply chain diversification effect, and your Company continues to pursue business development opportunities to capture this underlying market growth. Therefore, the Company's export business outlook continues to be weaker than in recent years.

INDIAN FOUNDRY INDUSTRY INSIGHT:

The market size of the Indian Foundry sector is expected to grow significantly over the coming years due to the factors discussed earlier. The industry, which is spread across various clusters such as the NCR, Pune, Chennai, an emerging cluster in Gujarat and Rajasthan, among others, is known for catering to specific end-use markets. The sector provides both direct and indirect employment to a substantial number of people. The market faces challenges such as a lack of skilled manpower, power supply issues, and environmental concerns.

According to the 56th World Casting Census by the American Foundry Society (January 2023), China, India, and the US lead global casting production, with production ramping up after a COVID-induced two-year hiatus. China reported 54.05 million tonnes of casting, followed by India as the world's second-largest producer, with 12.49 million tonnes.

India's foundries are actively upgrading their facilities and technologies to enhance productivity and expand capacity, responding to escalating demand. A majority of these foundries fall under the MSME sector, which has demonstrated consistent growth.

The sector is expected to grow at a CAGR of 10% during the next five year period (2024-2029). This is driven by a combination of factors such as increasing domestic consumption, global supply chain diversification, the transition to EV technologies, as well as focused investment by the Indian government in public infrastructure.

In view of above, your Company is committed to deliver great value through our products and technical services to retain 'Morgan' as the preferred supplier to the non-ferrous metals industry. Your Company will continue its focus on providing value added services to their customers for their next generation of products and processes.

ENVIRONMENT, HEALTH AND SAFETY (EHS):

At Morgan Advanced Materials we are committed to a sustainable future. Our aim is to ensure that our products and manufacturing processes are designed, built and managed in a way that enhances their value to society and our environment. We are working towards our aspiration of 'zero harm' to all our employees. We are committed to conducting all our activities in a manner that builds a caring safety culture and develops a world-class safety system that supports this effort.

There were no lost time accidents reported on the site during the year but unfortunately there were 2 first-aid injuries. There were 4 significant near misses reported and for these, as well as for the first-aid injuries, a full investigation was carried out, lessons learned and corrective actions taken. Observations of unsafe actions and unsafe conditions (known as "Don't Walk By" or DWB) are reported on the recently introduced EHS software and investigated and corrected. We are regularly monitoring air, water and soil quality in the factory premises and corrective measures are being taken for any readings that are over the limit. We are also regularly focused on our 6S drive in the factory to create a safer and more productive workplace for our colleagues. There are regular physical site tours performed by the local team and by visiting Leadership Team members. Regular virtual site tours are also conducted.

To be a sustainable company every site within Morgan Advanced Materials aspire to achieve carbon neutrality by 2050, alongside a targeted 30% reduction in water usage across high-stress areas by 2030. At the MCIL site, significant strides have already been made through various initiatives aimed at emission reduction. In 2023, these efforts resulted in an impressive 11% decrease compared to 2022. Key accomplishments include.

- Installation of additional solar systems: The third phase increased green energy contribution to 27% of the total electricity consumed at the site.
- Efficiency improvements: Implementing a regenerative burner system.

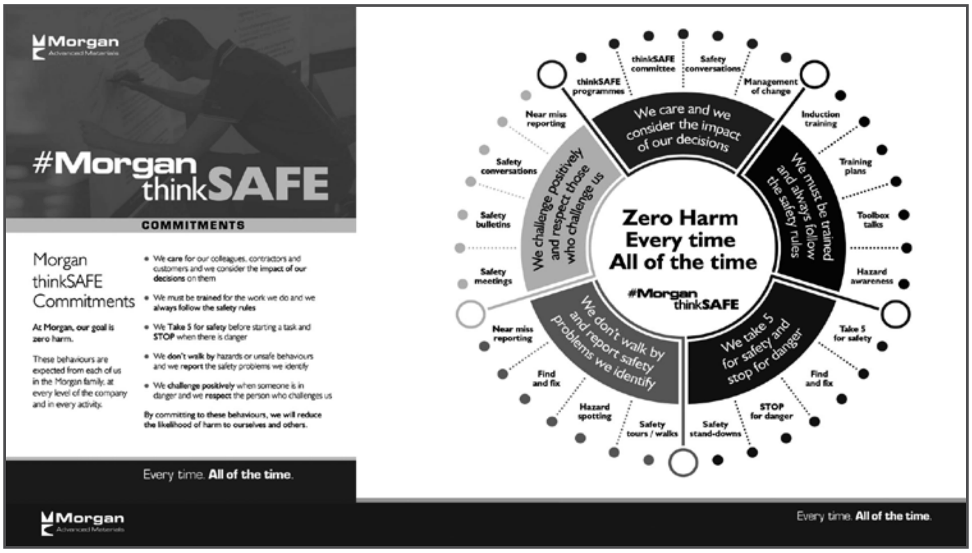
Furthermore, under the water usage reduction initiative, MCIL has implemented a water harvesting project. This project effectively utilizes rainwater for all site processes involved in product manufacturing, thereby reducing water consumption by 15%.

'thinkSAFE'

At Morgan Advanced Materials, 'thinkSAFE' is a mindset. This means we approach every moment of every working day with safety in mind. We do this by being curious, not complacent, by looking out for each other and by speaking up about safety issues. We consider safety in everything that we do because we care. Our goal remains zero harm.

The six Morgan 'thinkSAFE' commitments provide guidance on how we should behave:

During the year, we conducted 'thinkSAFE' refresher training programme for all shop floor workers, staff employees and agency



employees. Additionally each Quarter there is a specific safety topic which is communicated throughout the organisation.

Operational, Health and Safety Improvements:

- Air Handling units (AHU) installed at the production area to get relief from heat stress.
- An ejection system is provided on the Clay drop machine to avoid ergonomic issues.
- Scissor lifts provided for sigma crucible handling.
- New two 150 TR cooling towers installed for operations.
- APFC (auto power factor correction) panels installed
- Kiln No. 7 trolly automation installed to eliminate ergonomic issue and improve safety.

Employee Well-being:

- Half-yearly medical check-up completed for operations employees and arranged health awareness sessions for them.
- First aid and heat stress training organized.
- Providing energy drinks to employees who are working in hot areas.
- An awareness session organized for all female employees on women's health and Hygiene by experts.

PRODUCT QUALITY AND CERTIFICATIONS:

Morgan's purpose is to use advanced materials to help make more efficient use of the world's resources, and to improve the quality of life. This comes down to the engineering of high-performance materials and specialized products that offer reliable solutions to the technical challenges that our customers have, and we are committed to help our customers achieve more by using our quality of products and services. We measure and strive to continuously improve product quality, reliability, and durability. In order to improve customer satisfaction, our technical services and product team in constant communication with customers, suppliers and employees, carries out continuous development and refinement of new designs, products and applications and enhancement of technical specifications and support services.

In support of this MCIL had its ISO9000 accreditation renewed with only minor recommendations being made.

Morgan's global footprint enables the company to supply a customer's needs anywhere in the world, which means local and global expertise that Morgan can leverage, which we are keen to demonstrate. Your Company is equipped with wide range of engineering capabilities, specialist engineering teams and all required installation support to help customer to gain maximum benefits from Morgan's product. We continuously review and analyse manufacturing quality parameters for improvement of overall quality of the product. This purpose, guides our actions, aiding our efforts to work with our environment, informs how we treat our people and ensures we fulfil our responsibility of good corporate governance.

Your Company has made below improvements during the year -

1. Mixing automation for accurate addition of mix

components.

2. Crucible pulling automation in the sigma section for better material handling & reduce damages during operation.

3. Sieving automation in sigma section for reliable sieving of material

4. Dust collector commissioned for the sigma rotary dryer section.

5. Oil based paint replaced with environmentally friendly water-based paint for crucible finishing.

STATE OF AFFAIRS OF THE COMPANY

During the year under review there is no change in the nature of the business of your Company.

CHANGES IN SHARE CAPITAL

The paid-up equity share capital of the Company stood at ₹280 lakhs as on March 31, 2024. During the year, the Company has not issued any shares or convertible securities and does not have any scheme for issue of sweat equity, ESPS or ESOP to the employees or Directors of the Company.

TRANSFER TO RESERVES:

The Board of Directors does not propose to transfer any amount to general reserves during the year under review.

RELATED PARTY TRANSACTIONS:

All related party transactions entered during the year were on arms' length basis and in the ordinary course of business. In compliance with the provisions of Section 188 of Companies Act, 2013 and Regulation 23 of Securities Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements), ('Listing Regulations') Regulations, 2015, the Audit Committee had given omnibus approval for related party transactions that were repetitive in nature and conducted with Morgan Group subsidiary companies for the sale and purchase of goods and services for a period of one year. The Company obtained approval of the members for material related party transactions which expects to exceed threshold limit based on annual turnover. The Audit Committee reviewed the current details of the related party transaction on a quarterly basis.

Further, there were no materially significant related party transactions entered into by the Company with the Promoters, Directors, Key Managerial Personnel or others, which may raise a potential conflict of interest with the Company or requires approval of the shareholders. The Company has not given any loans and advances to any associate company or to firms/ companies in which the Directors have interest hence disclosure as per Regulation 34(3) of Listing Regulations is not applicable.

During the fiscal year 2023-24, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company.

In accordance with Section 134 of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the contract or arrangement entered into by the Company with related parties referred to in Section 188(1) in Form AOC-2 is attached as **Annexure - I** of this report.

As per Regulation 46 of SEBI Listing Regulations, the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions is available on Company's website at http://www.morganmms.com/en-gb/investors/

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT:

During the year under review, there have been no other material changes or commitments made which affect the financial position of the Company between the end of the financial year and the date of the report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

During the year under review, the Company has not provided any loans, given guarantees or made an investment covered under Section 186 of the Companies Act, 2013.

BOARD OF DIRECTORS:

During the year under review, Mr. Martin Coll (DIN: 08399389), has tendered his resignation from the post of Director and member of the Board committees effective from May 30, 2023 after end of business hours due to pre-occupation in other assignments. On completion of two terms as an Independent Director, Mr. Subhas Kolapkar (DIN- 06666368) has tendered his resignation from the post of Independent Director effective from May 30, 2023.

During the year, Mr. Ulhas Gaoli DIN 00286833 was appointed as an Independent Director of the Company effective from May 30, 2023 upto the date of next Annual General Meeting (AGM) or last date on which such AGM is required to be held and whose office shall not be liable to retire by rotation.

Pursuant to approval of members in the 38th Annual General Meeting held on August 29, 2023 Mr. Ulhas Gaoli (DIN:00286833) was designated as Independent Director of the Company for a period of 5 years till May 29, 2028 and will not be liable to retire by rotation.

In accordance with provisions of Companies Act, 2013 and the Article of Associations of the Company, Mr. Jonathan Percival, Non-Executive Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, has offered himself for re-appointment.

In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014. The Independent Directors have submitted certificate of independence under Section 149 (6) (d) of the Companies Act, 2013. The policy on the familiarisation program for Independent Directors including details of Nomination & Remuneration Committee and their roles and responsibility are provided in the Corporate Governance Report. The evaluation of Board including Independent Directors was carried out based on parameters of attendance in every Board and Committee meeting, participation in discussions and independent judgement.

The details of the familiarization program for Independent Directors are posted on the website of the Company and can be accessed at - http://www.morganmms.com/en-gb/investors/

KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Companies Act, 2013, the following officials are 'Key Managerial Personnel' of the Company during the financial year ending March 31, 2024 –

1. *Mr Nitin Sonawane – Manager
2. Mr Hanumant Mandale – Chief Financial Officer
3. Ms. Pooja Jindal – Company Secretary

Note: *Mr. Nitin Sonawane, Manager & Director has tendered his resignation on 30th April 2024, which was accepted by the Board in the Board Meeting held on 21st May 2024. The Board has relieved him from the post of Manager & Director with effect from 21st May 2024 after end of business hours.

During the year, Mr. Rupesh Khokle, Company Secretary and Compliance Officer has resigned with effect from 31st Aug 2023 after end of business hours and Ms. Pooja Jindal was appointed as Company Secretary and Compliance officer of the Company with effect from 20th November 2023.

BOARD EVALUATION

As per Regulation 17(10) of Listing Regulations and Section 178 of the Companies Act, 2013, the annual evaluation process of the Board of Directors, as individual Directors and the Board as a whole was carried out based on criteria such as participation and contribution in Board and Committee meetings, enhancing shareholder value, experience and expertise to provide feedback, and guidance to top management on business strategy, governance, risk and understanding of the organization's strategy.

The entire Board has actively participated in Board and Committee meeting with focus on adherence of corporate governance norms. Based on the outcome of the evaluation and feedback of the Directors, the Board and the Management have agreed on the way forward which includes strategic engagement with alignment of Morgan group long term strategic plan.

BOARD MEETINGS AND ANNUAL GENERAL MEETING:

During the financial year 2023-24, the Board met five times, the details of which are mentioned in the Corporate Governance Report. The necessary quorum was present in all the Board and Committee meetings during the year. The 38th Annual General Meeting was held on August 29, 2023. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

PARTICULARS OF EMPLOYEES:

During the year under review, no employee was in receipt of remuneration of ₹ 165.80 lakhs or more or employed for part of the year and in receipt of ₹ 14 lakhs or more a month, under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

A Statement containing particulars of top 8 employees is provided in the Annexure forming part of this report. In terms of proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the Shareholders, excluding the aforesaid Annexure. The said Statement is also open for inspection. Any member interested in obtaining a copy of the same may write to the Company Secretary.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Your Company has established a vigil mechanism named as 'Whistle Blower Policy' within your Company in compliance with the provisions of Secon 177(10) of the Act and Regulation 22 of the Listing Regulations.

The policy of such mechanism which has been circulated to all employees within your Company, provides a framework to the employees for guided & proper utilization of the mechanism. Under the said Policy, provisions have been made to safeguard persons who use this mechanism from victimization. The Policy also provides access to the Chairman of the Audit Committee by any person under certain circumstances. The Whistle Blower Policy is available on your Company's website at http://www.morganmms.com/en-gb/investors/

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE:

The Company has formulated an Internal Complaints Committee, under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and has mechanism in place to report sexual harassment cases at workplace.

Your Company has in place, Policy for prevention of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013 and the Rules made thereunder. Your Company has zero tolerance on Sexual Harassment at workplace. All employees including permanent and contractual, temporary, trainees and other stakeholders are covered under this policy.

Your Company has organised workshops and awareness programmes against sexual harassment for employees of the Company. During the year, the Company has not received any complaint with allegations of sexual harassment.

RISK MANAGEMENT POLICY:

The Board of Directors established risk management methodology which seeks to identify, prioritise and mitigate risks, underpinned by a 'three lines of defence' model comprising an internal control framework, internal monitoring and independent assurance processes.

The Board considers that risk management and internal control are fundamental to achieving the Morgan Group's aim of delivering long-term sustainable growth. The Risk Framework covers business, operational and financial risks reviewed by the Committee on a periodic basis. The severity of each risk is quantified by assessing its inherent impact and mitigated probability to ensure that the residual risk exposure is understood and prioritised for control to avoid future implications.

During the year, the Board reviewed the status of all principal and emerging risks with a significant potential impact on the Company performance. These reviews included an analysis of both the principal risks and emerging risks, together with the controls, monitoring and assurance processes established to mitigate those risks to acceptable levels. As a result of the review, the number of actions were identified to continue to improve internal control and management of risks including improvement on safety and ethics of the Company.

The Committee met on two occasions on August 14, 2023 and February 13, 2024 and reviewed risk relating to competition, operations, people management and development, product quality, technological obsolescence, quality of contract, compliances, tax related matters, macroeconomics & political environment and development of action plan as prepared by the management for mitigating such risks relating to above risks in the future.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

Your Company believes in contributing to create equitable and sustainable society by way of undertaking various CSR activities and sustainability initiatives. During the year your Company sponsored to vocational skill development programme, provided Digital Display Panel to school students, basic amenities to orphaned students.

In compliance with the provisions of Section 135 of the Companies Act, 2013, during financial year 2023-24, your Company has fully spent the entire amount that is required to be spent under CSR guidelines.

The Corporate Social Responsibility policy formulated by the Company is available on the website of the Company at - http://www.morganmms.com/en-gb/investors/

The CSR activities as undertaken by the Company are attached as **Annexure – II** and form part of this annual report.

NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee has been vested with the authority to, inter alia, recommend nominations for Board Membership and senior management position of the Company and establishing criteria for selection to the Board with respect to the competencies, qualifications, experience, integrity and succession plans. The committee comprises of Independent and Non-Executive Directors of Board which details are given in Corporate Governance Report.

The policy of the Company on Directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a Director and other matters provided under Section 178 (3) and Section 197 (12) of the Companies Act, 2013, read with Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is available on the website of the Company at - http://www.morganmms.com/en-gb/investors/

During the year, the Nomination and Remuneration Committee met 2 times on May 30, 2023 and Nov 9, 2023.

The details of remuneration to Directors & KMP and other details as prescribed is given as **Annexure – III** to this report.

CORPORATE GOVERNANCE:

Your Company is always striving long-term sustainable success for the shareholders of the Company by adopting best practices of corporate governance which are aligned with Morgan's Group purpose and strategic direction.

As per Regulation 34 of the Listing Regulations, a separate section on corporate governance practices followed by your Company, together with a certificate from Deloitte Haskins & Sells LLP, Chartered Accountants, on compliance with corporate governance norms under the Listing Regulations, is provided with this report.

CODE OF CONDUCT

The Board of Directors as per Schedule IV of the Companies Act and Regulation 26 of the Listing Regulations have adopted for all Board members, key managerial personnel and senior management "Morgan Code" and which is applicable to all level of employees. Pursuant to the applicable Listing Regulations senior management has confirmed the compliance to the Code of Conduct of the Company and submitted the required annual compliance declaration to the Company. The Manager & Director Certificate on affirmation to the Code of Conduct is attached as part of Corporate Governance Report.

The detail of the Code of Conduct is available on website of the Company i.e. www.morganmms.com

FINANCE AND TAXATION:

During the financial year 2023-24, to update the Unilateral Advance Pricing Agreement for a period of five years from the financial year 2021-22 to 2025-26, the regional APA Commissioner has visited the site and the Company is awaiting a response from the department.

We have liquidated accumulated IGST input credit of ₹ 509.72 lakhs as per the provision of GST law. Our all CESTAT Appeal order passed in favour of MCIL & and refund order received from the Department.

Your Company has continued to apply for Export Incentives under Remission of Duties and Taxes on Export Products (RODTEP) as part of the Foreign Trade Policy. During the year 2023-24, we have received duty benefit scripts amounted to ₹ 63.87 lakhs. The process of claiming RODTEP benefit is well established, and we are receiving duty benefit scripts on regular basis.

'During the year ended March 31, 2024, the Company has initiated the discussions with the workers for the Voluntary Retirement Scheme (VRS). The Board of Directors in their meeting held on February 13, 2024 have approved the Voluntary Retirement Scheme 2023-24 ("Scheme"). The Company has considered a provision of Rs. 321.08 lakhs included in the exceptional item of the financial statements of 2023-24.

ETHICS AND LEGAL GOVERNANCE:

Morgan's ethics and compliance strategy has strengthened our ethical culture and reinforced the controls in key compliance risk areas as covered under the Morgan Code.

The Morgan Code is a foundational component of our ethics and compliance programme. The Morgan Code is a set of principles, supported by Group policies, which set out how we must conduct ourselves in support of our people, our communities, our business partners and our shareholders. It applies to all employees and extends, as appropriate, to Morgan's business partners including agents and other third-party representatives.

The Morgan Code underpins our commitment to our people, our communities, our customers, our suppliers and our shareholders. It defines how we do business ethically and safely. The Morgan Code is a set of principles (supported by Group policies) that lay out how we should conduct ourselves. The Morgan Code applies to all employees and to the extent appropriate to Morgan's business partners including agents, joint venture partners and third-party representatives.

The Morgan Code has four sections i.e., working safely, working ethically, treating our people fairly and protecting our business. It requires our people to operate in accordance with applicable laws, regulations and Company policies and processes relating to areas such as ethical business behaviour, trade compliance, gifts and entertainment, donations and sponsorships.

Ethics and Compliance Training Programme

In compliance with Morgan Group's guidelines, your Company has given e-learning training programmes to all employees on various topic of anti-bribery and anti-corruption, conflict of interest and anti-competitive practices. Apart from this e-learning, we continued practice of arranging Ethics Theme of the Month session for all employees on monthly basis on various ethics and compliance topics.

'Speak-up' Ethics Helpline

We maintain a confidential 'Speak Up' ethics helpline operated by an independent third party where anyone can raise a concern or report a suspected violation of our policies, procedures or the law as an alternative channel to reporting concerns internally. Reporters can raise concerns by telephone, web form or email and may elect to remain anonymous. The employees, contractors or other third parties who have a question about the Code or see something that they feel is unethical or unsafe can discuss these with their managers, supporting teams, or through the ethics hotline, a confidential helpline operated by an independent company.

During the year, there was 1 complaint raised by an employee of the company, which was investigated, and the necessary disciplinary action was taken as appropriate.

Further, in compliance with Listing Regulations and the provisions of Companies Act, 2013, the policy is also available on the website – http://www.morganmms.com/en-gb/investors/

Compliance Commitment

Your Company is committed to follow all applicable local, central and international laws & regulations wherever we operate. The Compliance Officer submits a quarterly compliance report to the Audit Committee and Board Members on various applicable laws to the Company and its compliance status thereon. During the year, your Company has not identified any non-compliance relating to the various statutes applicable to the Company's business operations.

HUMAN RESOURCES:

People and Culture

At Morgan, our guiding principles—Ambition, Innovation, Collaboration, and Integrity—are the bedrock of our success. Our employees are our brand ambassadors, contributing daily to our mission. Their enthusiasm, energy, and innovative ideas drive our commitment to excellence in products and services, playing a crucial role in achieving our aspirations in this evolving era.

Our workforce shapes our culture and fuels our success. We strive to be a caring organization where every individual feels valued and appreciated. Our core principle is 'it is not just what you do, but how you do it' matters a lot. We are dedicated to creating a safe, fair, and inclusive workplace. Our 2030 goals focus on making Morgan an even better place for our people.

We offer an empowering, collaborative, non-discriminative, and safe work environment where employees can learn and lead. We engage with our workforce, invest in their professional development, provide meaningful purpose, prioritize health and safety, celebrate innovation, support well-reasoned risk-taking, and reward performance.

Our 'Leadership Behaviours' and the Morgan Code guide our actions, helping us achieve our strategic aim of delivering performance and value creation for our stakeholders.

At Morgan, we are committed to fostering a diverse and inclusive workplace where every employee feels valued and empowered. In 2023, we launched several initiatives to enhance our diversity and inclusion efforts, including targeted recruitment programs, comprehensive training sessions on unconscious bias, and the establishment of employee resource groups to support under represented communities. We have introduced female workforce in Finishing operations and a few are working on machines as well. Our efforts have resulted in a more diverse workforce and an inclusive culture where different perspectives are celebrated. We believe that diversity drives innovation and strengthens our ability to serve our customers better. Moving forward, we will continue to prioritize diversity and inclusion as a cornerstone of our corporate strategy, ensuring that Morgan remains a place where all employees can thrive.

We promote equal opportunities for all employees and job applicants, without discrimination based on gender, parental leave needs, marriage/civil partnership status, race, disability, sexual orientation, age, religion, or belief.

TALENT AND DEVELOPMENT

Morgan believes in recruiting a diverse range of professionals to solve our customers' challenges. Finding, retaining, and developing the right talent to meet the ever-changing demands of our business is a key priority, ensuring diverse representation within the organization. The employee turnover ratio improved to 10.10% from 10.83% the previous year.

Developing our people is crucial for Morgan's marketplace success. We focus on enabling every employee to perform at their best, reach their full potential, and feel rewarded. Last year, we continued our leadership development programs, emphasizing team building for mid-level and first-line supervisors, including staff and workmen. We also conducted awareness programs on POSH, ThinkSAFE, and health awareness for all employees.

Throughout the year, Morgan organized over 5,853 hours of training on more than thirty topics to nurture talent and motivate employees. Of these, 3,317 hours were dedicated to Environmental, Health, and Safety (EHS) training, enhancing our safety and health culture.

PERFORMANCE AND RECOGNITION

Our people are at the heart of our strategy. We support our employees to perform at their best and reach their potential through performance conversations and ongoing feedback. Our compensation approach is underpinned by the principle of pay for performance, with levels set using external benchmarking and relevant commercial considerations that are competitive and affordable. We offer short-term performance incentives to managers and technical and functional experts. The Morgan Group recognizes and rewards individual and team accomplishments.

EMPLOYEE ENGAGEMENT

Having a diverse range of talents and perspectives, and ensuring our employees are engaged in their roles, is vital to our long-term success. Our employees are instrumental in making Morgan what it is today and in driving the brand forward. Through our "Your Voice" survey, we gauge employee engagement and gather feedback annually.

In 2023, the Group decided to shift the survey period from December to June for effective action planning and allowing sufficient time for execution of planned actions. Consequently, a partial survey for employees with Morgan email IDs was conducted in December 2023, with a full survey scheduled for June 2024. Despite the partial survey, participation was exemplary, with 100% of eligible employees taking part in the "Your Voice" survey. The overall engagement score saw a significant increase, rising to 79% from 56% in 2022. Employee feedback highlighted strong alignment with Morgan's commitment to safety, ethics, and customer satisfaction. Additionally, the customer satisfaction score improved to 92%, and the cultural development score reached 78%, marking substantial achievements for Morgan.

AUDITORS:

Statutory Auditors

M/s. Deloitte Haskins & Sells LLP, Chartered Accountants, Pune (Registration No. 117366W/W-100018) were appointed as statutory auditor of the Company for a period of five years - from conclusion of 35th Annual General Meeting until conclusion of 40th Annual General Meeting - as per approval of the members in the 35th Annual General Meeting with professional fees and charges as mutually agreed between M/s Deloitte Haskins & Sells LLP and the Company.

The report given by the Statutory Auditors on the financial statements of the Company forms part of this Annual Report.

There has been no qualification, reservation, adverse remark or disclaimer given by the Statutory Auditors in their report except below:

Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail is enabled at the database level for accounting software.

Management Reply: Management is committed to ensuring data security and compliance with new Indian legislation by enabling audit trail logging at the database level. Testing will be conducted to assess the impact on system performance before full implementation.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s Prajot Tungare & Associates, Practicing Company Secretaries, were appointed to conduct the Secretarial Audit of the Company for the financial year 2023-24. The Secretarial Audit Report for financial year 2023-24 forms part of the Board's Report as Annexure - IV.

The Board has appointed of M/s Prajot Tungare & Associates, Practicing Company Secretaries, as Secretarial Auditor of the Company for the financial year 2024-25.

There has been qualification, reservation, adverse remark or disclaimer given by M/s Prajot Tungare & Associates, Secretarial Auditor in their report as below:

1. The Company failed to make separate disclosure to the stock exchange under Clause (7B) and (7C) of Part A of Schedule III of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 within 7 days of resignation of Independent Directors and Company Secretary under review. However, the company has disclosed the same under outcome of the Board meeting.

   Management Reply: We have intimated to the stock exchange about the resignation of Independent Directors and Company Secretary under the outcome of the Board meeting. However, the company missed to make separate disclosures.

2. The Company has maintained the Structured Digital Database (SDD). However, the data has not been maintained as per the specification mentioned under the SEBI (PIT) Regulation 2015.

   Management Reply: We were in a process to implement SDD software as per specification mentioned under the SEBI (PIT) Regulation 2015.

3. The Company has not made explanation or comments in the Board Report on qualification, reservation, adverse remark or disclaimer made by the Secretarial Auditor in his report as per provisions of sub section (3)(f) of section 134 of the Companies Act 2013.

   Management Reply: There was a revision in Secretarial Audit report for which Company has filed/circulated corrigendum to the Annual Report on 16th August 2023. But the Company has inadvertently missed the management reply on the Board's Report.

4. The Risk management committee met twice during the financial year but the gap between two meetings was more than 180 days.

   Management Reply: Due to change in Company Secretary and compliance officer during the year, there was a delay of 2 days in conducting the committee meeting.

5. There was some delay in filing of e-forms under the provisions of the Companies Act 2013 with the Ministry of Corporate Affairs.

   Management Reply: The company faced some technical difficulties while filing of e-forms on the MCA website, due to which there was some delay in the filing of e-forms.

6. The Company has not maintained the audit trail at the database level for accounting software as per the rule 3(1) of the companies (Account) Rules 2014.

   Management Reply: Management is committed to ensuring data security and compliance with new Indian legislation by enabling audit trail logging at the database level. Testing will be conducted to assess the impact on system performance before full implementation

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has a well-established framework of internal controls in operation, supported by Morgan Group's policies and guidelines, including periodic monitoring, assessment and internal audit.

M/s Unicus Risk Advisors LLP, internal auditors of the Company have conducted internal audit for complete year and detailed report was submitted to Audit Committee on periodic basis. Further, the Audit Committee reviewed the adequacy and effectiveness of the implementation of audit recommendations, including those relating to strengthening your company's risk management policies and systems.

The Company had engaged OptiFin Services Private Limited for evaluating the internal financial controls and testing its adequacy of effectiveness including preparation of process narratives and Risk Control Matrix (RCM) in line with COSO framework and guidance note issued by Institute of Chartered Accountants of India (ICAI). During the year, OptiFin has verified various business processes such as Procure to Pay, Order to Cash, Hire to Retire, Fixed Assets, Manufacturing and Inventory Management, Regulatory Compliance, Entity Level Control, Book Closure Process and IT general Computer Controls.

In compliance with Section 177(4)(vii) of the Companies Act, 2013, the Audit Committee needs to evaluate internal financial control systems of the Company and make further reports to the Board and as per Section 143(3) (i) of the Companies Act, 2013, the Statutory Auditor of the Company is required to make representation in their Auditor Report that the Company has adequate internal financial control system in place and operating effectively.

During the year, your Company considered that the internal financial control provides reasonable assurance in the area of proper accounting controls for ensuring reliability of financial reporting, monitoring of operations safeguarding of Company's assets, transactions are authorised and recorded in a correct and timely manner and that such controls would prevent or detect, within a timely period, material errors or irregularities. The system is designed to mitigate and manage risk, rather than eliminate it and to address key business and financial risks. The Company has continued to align all its processes and controls as per Morgan Group's guidelines and policies.

Your Company as well as statutory, internal & secretarial auditors has made periodic checks relating to prevention and detection of frauds and errors, accuracy and completeness of accounting records, timely preparation of financial statements and applicable statutory compliances to the Company's business. The internal auditor and statutory auditor during their audit have not found any significant gaps for the financial year 2023-24 however have made certain recommendation for continuous improvement of the process.

ANNUAL RETURN:

In accordance with Section 92(3) and Section 134(3)(a) of the Companies Act, 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the Company has placed the Annual Return on the Company's website - https://www.morganmms.com/en-gb/investors/

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 (3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(i) In the preparation of the annual accounts for the financial year ended March 31, 2024, the applicable accounting standards have been followed along with proper explanation relating to material departures.

(ii) 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 and profit of the Company for the year;

(iii) The Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The Directors have prepared the annual accounts on a 'going concern' basis;

(v) The Directors have laid down internal financial controls, which are adequate and are operating effectively;

(vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to the applicable provisions of the Companies Act, 2013 read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules 2016 ("the IEPF rules") all unpaid or unclaimed dividends are required to be transferred by the Company to the IEPF, established by the Government of India, after the completion of seven years. Further, according to the rules, the shares on which dividend has not been paid or claimed by the shareholders for seven consecutive years or more shall also be transferred to the Demat Account of IEPF Authority.

During the year, your Company has transferred the unpaid and unclaimed dividends for the financial year 2015-16 of ₹ 3,02,044/- to IEPF Authority.

OTHER DISCLOSURES:

a) Your Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

b) Your Company has not issued shares with differential voting rights and sweat equity shares during the year under review.

c) Your Company has complied with the applicable Secretarial Standards relating to 'Meetings of the Board of Directors' and 'General Meetings' during the year.

d) Maintenance of cost records and requirement of cost Audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable to the business activities carried out by the Company.

e) 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.

f) There are no proceedings initiated/pending against your Company under the Insolvency and Bankruptcy Code, 2016 which materially impact the business of the Company.

g) There were no instances where your Company required the valuation for one time settlement or while taking the loan from the Banks or Financial institutions.

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

The particulars as prescribed under Sub-section (3)(m) of Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are enclosed as Annexure - V to the Board's report.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to offer their sincere thanks to various Departments of the Central and State Governments, our Bankers, Shareholders, Customers & Consultants for their strong support and assistance. Your Directors also place on record their deep appreciation to employees at all levels for their hard work, solidarity, dedication and commitment, and look forward to their continued support in the future.

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited

Jonathan Percival	Aniruddha Karve
(Director)	(Director)
DIN: 09701284	DIN: 07180005
Aurangabad	Aurangabad

Place: Aurangabad
Date: May 21, 2024

ANNEXURE – I

FORM NO. AOC-2

APRIL 1, 2023 TO MARCH 31, 2024

Particulars of contracts contracts/arrangements made with related parties
(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the 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 arm's length transactions under third proviso thereto.

DETAILS OF CONTRACTS OR ARRANGEMENTS OR TRANSACTIONS NOT AT ARM'S LENGTH BASIS

None

DETAILS OF CONTRACTS OR ARRANGEMENT OR TRANSACTIONS AT ARM'S LENGTH BASIS

There were no material Related Party Transactions i.e. 10% of the annual total turnover as per the last audited financial statement, were entered during the year by your Company. However, the Company has taken members' approval for the related parties with whom it was expected to increase the transactions more than 10% of total turnover. The details of transactions with Related Parties are as follows:-

Name(s) of the related party	Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Amount (₹ in Lakhs)
Morgan Advanced Materials plc.	Ultimate Holding Company	Management Charges and Trademark charges	Not Applicable	1114.56
		Reimbursement of expenses	Not Applicable	150.08
		Other Support	Not Applicable	12.23
Morganite Crucible Inc.	Fellow Subsidiary	Sale of finished goods	Not Applicable	1206.96
		Other expenses	Not Applicable	0.00
Mkgs. Morgan Karbon Grafit	Fellow Subsidiary	Sale of finished goods	Not Applicable	28.64
Morgan Molten Metal System (Suzhou) Company Limited	Fellow Subsidiary	Sale of finished goods, raw materials	Not Applicable	236.56
		Purchase of raw material and consumables	Not Applicable	72.87
		Reimbursement of expenses	Not Applicable	27.86
		Other Support Services	Not Applicable	2.45
Morgan Molten Metal System GmbH	Fellow Subsidiary	Sale of finished goods, raw materials	Not Applicable	963.91
		Purchase of raw material and consumables	Not Applicable	11.57
		Reimbursement of expenses	Not Applicable	30.49
		Other Support Expenses	Not Applicable	1.07
Morganite Brasil Ltda.	Fellow Subsidiary	Sale of finished goods	Not Applicable	25.09

Name(s) of the related party	Nature of Relationship	Nature of contracts/ arrangement/ transactions	Duration of the contracts/ arrangements/ transactions	Amount (₹ in Lakhs)
Grupo Industrial Morgan, S.A. De C.	Fellow Subsidiary	Sale of finished goods	Not Applicable	49.86
Morganite Carbon Kabushiki Kaisha	Fellow Subsidiary	Sale of finished goods	Not Applicable	113.64
Murgappa Morgan Thermal Ceramics Limited	Fellow Subsidiary	Purchase of raw material and consumables	Not Applicable	20.17
		Other Support expenses	Not Applicable	1.78
		Sale of finished goods	Not Applicable	77.64
Thermal Ceramics Limited (UK)	Fellow Subsidiary	Purchase of raw material	Not Applicable	1.37
Morgan Advanced Materials India Pvt Ltd	Fellow Subsidiary	Reimbursement of expenses	Not Applicable	50.01
		Other Support expenses	Not Applicable	138.54
Morgan International Trading (Shanghai) Co. Ltd		Purcahses of stock in trade		0.75
		Purchase of raw materials (including goods in transit)		14.35
MORGAN AM&T HONG KONG CO. LTD.		Sale of finished goods, raw materia ls		0.18

Annexure – II

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **BRIEF OUTLINE OF THE COMPANY'S CSR POLICY**

Morgan's CSR policy focuses on social development, and aims to create self-empowered communities, and to reach out to the destitute population to upbring their lives. Morgan continues to focus on children's education and continuously supporting local schools and orphanages to enable them to get quality of education, and facilities to build the better future of the country.

Morgan's CSR policy is available on Company's website
http://www.morganmms.com/en-gb/investors/

2. **COMPOSITION OF CSR COMMITTEE**

Sr No	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mukund Bhogale	Chairman and Independent Director	2	1
2	Mr. Aniruddha Karve	Member/Non-Executive Director	2	2
3	Mr. Jonathan Percival	Member/Non-Executive Director	2	2

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company:
https://www.morganmms.com/en-gb/investors/

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of rule 8 (3), if applicable:

Not applicable, as the average CSR obligation of the Company did not exceed Rs. 10 Crore or more, in the three immediately preceding financial years.

(Amt INR in Lakhs)

5.

a)	Average net profit of the Company as per Section 135(5) of the Act	2,480.50
b)	Two percent of average net profit of the Company as per Section 135(5) of the Act	49.61
c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial Years	Nil
d)	Amount required to be set off for the financial year, if any	Nil
e)	Total CSR obligation for the financial year (b+c-d)	49.61

(Amt INR in Lakhs)

6.

a)	Amount spent on CSR Projects (Ongoing Project and other than Ongoing Project)	84.89
b)	Amount spent in Administrative Overheads:	Nil
c)	Amount spent on Impact Assessment, if applicable:	Nil
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]:	84.89
e)	CSR amount spent or unspent for the financial year	As below

(Amt INR in Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per Section 135(6) of the Act		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5) of the Act		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
84.89	Nil	Nil	Nil	Nil	Nil

6. (F) **EXCESS AMOUNT FOR SET OFF, IF ANY:**

Sr. No.	Particulars	Amt INR in Lakhs
i)	Two percent of average net profit of the company as per Section 135(5) of the Act	49.61
ii)	Total amount spent for the Financial Year	84.89
iii)	Excess amount spent for the financial year [(ii)-(i)]	35.28
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	(35.28)

7. **DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:**

(Amt INR in Lakhs)

Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under Section 135(6)	Balance Amount in Unspent CSR Account under section 135(6)	Amount spent in the reporting Financial Year	Amount transferred to any fund as specified under Schedule VII as per Section 135(5), if any	Amount remaining to be spent in succeeding financial years	Deficiency, if any
1	2020-21	2.50	2.00	0.50	0.50	2.00	Nil

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year (Yes/No): **No**

If Yes, enter the number of Capital assets created/ acquired: **NIL**

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sr No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of Creation	Amount of CSR amount spent (₹ in lakhs)	Details of entity/ Authority/ beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered Address
NIL							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **Not Applicable.**

Annexure – III

Statement of Disclosure of Remuneration Under Section 197 of the Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of the remuneration of each Executive Director to the median remuneration of the Employees of the Company for the financial year 2023-24

Name of Director	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
Nitin Sonawane	Manager & Executive Director	3.54	7.00%

NOTE:

- Employees for the purpose above include all employees excluding employees governed under collective bargaining.

ii. The percentage increase in remuneration of Chief Financial Officer and Company Secretary during the financial year 2023-24 -

Name	Designation	Percentage increase in Remuneration
Mr. Nitin Sonawane	Manager & Executive Director	7.00%
Mr. Hanumant Mandale	Chief Financial Officer	5.00%

NOTE:

i. For calculating percentage increase in remuneration salary as per form 16 has been considered.

ii. The percentage increase in the median remuneration of Employee for the financial year was 11.7 per cent.

iii. There were 74 staff and 77 workers on rolls of the Company as on March 31, 2024.

iv. Average percentage increase in the salaries of employees other than the managerial personnel in the financial year was 10.7 per cent. The average increase in employee remuneration shows competitive market practice.

v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Annexure – IV

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2024

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

M/S. MORGANITE CRUCIBLE (INDIA) LIMITED

To,
The Members,
Morganite Crucible (India) Limited,
CIN: L26920MH1986PLC038607
B-11 MIDC Industrial Area, Waluj,
Aurangabad, Maharashtra, 431136

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Morganite Crucible (India) Limited ("the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

The procedure for Secretarial Audit is selected on the Secretarial Auditor's judgment of material facts of the documents submitted. Our responsibility is to express an opinion on the secretarial compliances of the aforesaid laws done by the Company on the basis of our audit. We have conducted the audit solely on the basis of secretarial compliances and filing done by the Company, under the below mentioned laws.

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 make our report on the basis of our opinion during the audit conducted covering the financial year ended 31st March 2024, on various secretarial compliances with statutory provisions listed hereunder and on Board processes and compliance mechanism 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 2024, according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(v) The following Regulations and Guidelines 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 [Not applicable to the Company during the Audit Period];

   (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Not applicable to the Company during the Audit Period];

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the Audit Period];

   (f) 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;

   (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 [Not applicable to the Company during the Audit Period];

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 [Not applicable to the Company during the Audit Period];

(i) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 [Not applicable to the Company during the Audit Period]; and

(j) The Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015.

(vi) As per discussion with the officials of the Company, there are no other laws specifically applicable to the Company.

We have also examined secretarial compliances with the applicable clauses of the following:

(i) Secretarial Standard 1 & 2 issued by the Institute of Company Secretaries of India; and

(ii) The Listing Agreements entered into by the Company with Stock Exchange.

During the year under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards etc. as mentioned above except the following observations:

1. The Company failed to make separate disclosure to the stock exchange under Clause (7B) and (7C) of Part A of Schedule III of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 within 7 days of resignation of Independent Directors and Company Secretary under review. However, the company has disclosed the same under outcome of the Board meeting;
2. The Company has not made explanation or comments in the Board Report on qualification, reservation, adverse remark, or disclaimer made by the secretarial Auditor in his report as per provisions of sub section (3)(f) of section 134 of the Companies Act 2013:
3. The Risk management committee met twice during the financial year but the gap between two meetings was more than 180 days;
4. There was some delay in filing of e-forms under the provisions of the Companies Act 2013 with the Ministry of Corporate Affairs; and
5. The Company has maintained the Structured Digital Database (SDD). However, the data has not been maintained as per the specification mentioned under the SEBI (PIT) Regulation 2015.
6. The Company has not maintained the audit trail at the database level for accounting software as per the rule 3(1) of the companies (Account) Rules 2014

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 including Woman Director. Further, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act & Regulations.

As per information and representation given, we also report that adequate notice along with agenda and detailed notes on agenda of the board meetings was given to all the Directors 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.

As per minutes of the meetings duly recorded and signed by the Chairman, no dissenting views have been recorded.

We further report that the compliances of applicable financial statements (including maintenance of books of account) and laws relating thereto has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that based on the information provided by the Company, its officers and authorised representatives during the conduct of the audit and also on the review of representation provided by the Officers, Company Secretary and Director of the Company, in our opinion adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines as mentioned above.

We further report that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

This Report is to be read with our letter of even date which is annexed as annexure and forms an integral part of this report.

For **Prajot Tungare & Associates**
Company Secretaries
(Firm Reg. No. P2001MH01020)
PR No. 993/2020

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
UDIN: F011745F000406469

Date: 21/05/2024
Place: Pune

ANNEXURE TO SECRETARIAL AUDIT REPORT ISSUED BY COMPANY SECRETARY IN PRACTICE FOR 31ST MARCH 2024

To,
The Members,
Morganite Crucible (India) Limited,
CIN: L26920MH1986PLC038607
B-11 MIDC Industrial Area, Waluj,
Aurangabad, Maharashtra, 431136

Our Secretarial Audit 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 are 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 Prajot Tungare & Associates
Company Secretaries
(Firm Reg. No. P2001MH01020)
PR No. 993/2020

CS Jayesh Parmar
Partner
FCS: 11745
CP No: 17776
UDIN: F011745F000406469

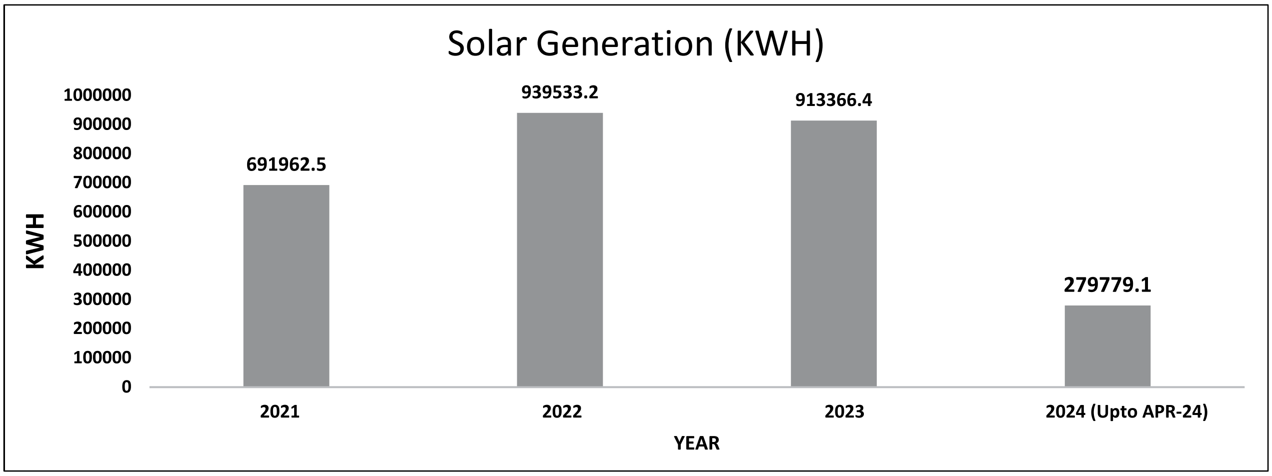
Date: 21/05/2024
Place: Pune

Annexure V

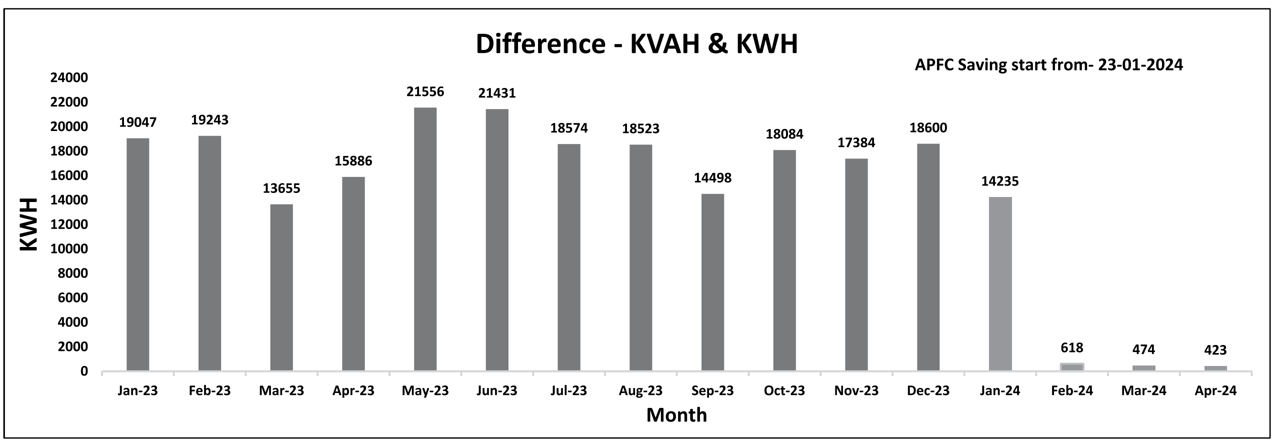
PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO PURSUANT TO SECTION 134 (M) OF THE COMPANIES ACT, 2013 AND THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY:

- Completed Solar Phase II installation for reduction in electricity bills on 30-06-2023.
  Solar generation details.



- APFC (Auto Power factor correction) Panel installed for saving and details are as below.
  Project theme: Reduce net difference between KVAH and KWH so to eliminate power losses and improve power quality.



B. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION:

The efforts made towards technology absorption –

- R&D investment to develop internal testing capability for material analysis to enhance the speed of new material development as under –
  - o Installed test foundry for dynamic corrosion testing
  - o Initiated pilot scale set-up to speed-up the development
  - o Installation of Hot Modulus of Rupture (HMOR) machine for material characterisation mainly to measure high temperature strength
- Focusing on the new materials development for next generation products.

- New binder development for high temperature application under testing
- Non-wetting and erosion resistance coating development
- Developed additives and new mix to reduce firing temperature which will reduce the energy consumption.
- Improvement in crucible coatings for high purity aluminium, erosion resistance and non-sticking of metal to the crucible
- Foundry products for non-ferrous application such as energy efficient and longer life transfer ladle for aluminium molten metal transfer
- Technology transfer for XL Rib forming crucible

The benefits derived like product improvement, cost reduction, product development or import substitution –

- Better customer service and reliability of product performance
- Improvement in quality and life of the product

In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) –

- The Company has neither imported any technology for the last three years nor during the financial year ending 2023-24 for reporting purposes.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

(₹ in Lakhs)

Foreign Exchange Earnings	8581.53
Foreign Exchange Outgo	1564.45

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited

Jonathan Percival	**Aniruddha Karve**
(Chairman)	(Director)
DIN: 09701284	DIN: 07180005
Aurangabad	Aurangabad

Place: Aurangabad
Date: May 21, 2024

CORPORATE GOVERNANCE REPORT

1. MORGAN GROUP'S PHILOSOPHY ON CODE OF GOVERNANCE

The Morgan Group's Corporate Governance framework guides to achieve business strategies and ensures commitment to behaving with integrity, ethical corporate behaviour and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

Morganite Crucible (India) Limited ("the Company") business practices are aligned with the Morgan Group's core value i.e. Innovation, Collaboration, Integrity and Ambition. The Company is continuously emphasizing on effecting Morgan's vision towards Material Science, Application Engineer and Customer & Market Focus. The Board is collectively and ultimately responsible to the Company's shareholders for the long-term sustainable success of the Company and oversees how the organisation generates and preserves value. It establishes the Morgan Group's purpose, sets the strategic direction and monitors Morgan Advanced Materials' culture to ensure this is aligned to the strategic vision.

The Board of Directors of the Company places great emphasis to adhere sound corporate governance practices in setting-up of clear objectives and appropriate ethical framework, establishing due processes, safety of the employees & stakeholders, providing for transparency and clear enunciation of responsibility and accountability, implementing sound business practices, encouraging business risk assessment and evaluating performance and sufficiently recognizing individual and group contribution. The Board supervises and monitors progress against execution priorities, whilst ensuring that there are robust and effective controls which enable Grisks and emerging risks to be identified, assessed and managed.

The Company believes in sustainable and profitable growth over the years which emanates from the top leadership down through the organization to the various stakeholders and reflected in its sound financial system, enhanced market reputation and improved efficiency.

2. BOARD OF DIRECTORS

a. Composition of Board

As on March 31, 2024 the Board had 6 Directors consisting of one executive Director, two Non-executive Directors, three are Non-executive Independent Director including one woman Independent Director. The composition of the Board is in conformity with the requirements of Regulation 17 of Securities Exchange Board of India Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') with optimum combination of Executive, Non-Executive and Independent Directors with at least one Woman Director and not less than fifty percent of the Board comprising of Non-Executive Directors. The Chairman of the Board of Director is Non-Executive Independent Director with one third of Board comprises of Independent Director. During the year, the Board of Directors met on 5 (five) occasions and the details of composition of the Board of Directors, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as well as the number of Directorships and Committee Memberships/Chairmanships held by them in other companies are as follows:-

Name	Category	Date of Appointment	Date of Re-Appointment	Other Directorships Held#	Membership/ Chairmanship of Committees of other Public Companies
Mr Mukund Bhogale	Chairman & Non-Executive Independent	October 30, 2015	August 05, 2021	-	-
Mr Aniruddha Karve	Non-Executive	July 01,2015	Aug 29, 2023	-	-
Mr Jonathan Percival	Non-Executive	August 12, 2022	September 27, 2022		-
Mr Nitin Sonawane	Executive	August 12, 2022	September 27, 2022		
Mr Ulhas Gaoli	Non-Executive Independent	May 30, 2023	Aug 29, 2023	-	-
Ms Maithilee Tambolkar	Non-Executive Independent	March 28, 2015	September 20, 2020	-	-

excludes directorship in private limited companies, alternate directorship and companies incorporated outside India

- There are no Nominee Directors on the Board
- There are no inter-se relationship between Board members
- As on date of this report, none of Non-Executive Director has attended the age of seventy five years.
- As per Regulation 17A, none of the Director held directorship in more than 7 listed entities and none of the Independent Director (ID) is serving as ID in more than 7 listed Companies.
- Mr. Nitin Sonawane, Manager & Executive Director of the Company is not serving as Independent Director in more than 3 listed entities.
- None of the Director occupies any position in other listed entities.
- During the previous year, the Board of Directors Meetings and 38th Annual General Meeting were conducted through other audio-visual means.

b. Board Meetings

During the year four Board meetings were held –

Name	Category	Attendance					AGM
		April 17, 2023	May 30, 2023	August 14, 2023	November 9, 2023	February 13, 2024	August 29, 2023
Mr Mukund Bhogale	Chairman & Non-Executive Independent	✓	✓	✓	✓	✗	✓
Mr Aniruddha Karve	Non-Executive	✓	✓	✓	✓	✓	✓
Mr Jonathan Percival	Non - Executive Director	✓	✓	✓	✓	✓	✓
Mr Nitin Sonawane	Manager & Executive Director	✗	✗	✓	✓	✓	✓
Mr Subhash Kolapkar	Non-Executive Independent	✓	✓	–	–	–	–
Ms Maithilee Tambolkar	Non-Executive Independent	✓	✓	✓	✓	✓	✗
Mr Martin Coll	Non-Executive	✓	✓	–	–	–	–
Mr. Ulhas Gaoli	Non-Executive Independent	–	–	✓	✓	✓	✓

✓ Attended ✗ Not attended (–) Not a part of Board

c. Board Evaluation

Pursuant to provisions of Regulation 17(10) of Listing Regulations and the provisions of the Companies Act, 2013, Annual Performance Evaluation were carried out for all Board Members with specific focus on performance and effective functioning of the Board and other parameters including participation and contribution by a director, commitment, effective deployment of knowledge and expertise, integrity, maintaining confidentiality and fulfilment of the independence criteria as specified in the Listing Regulations and their independence from the management.

The Board Evaluation as a whole were carried out on Board composition and quality, Board meetings and procedure, Board development, succession plan and independent judgement etc.

d. Independent Directors

As per Regulation 25 of Listing Regulations and Section 149 (6) of the Companies Act, 2013, the Independent Directors of the Company had duly contributed and shared their views and opinions in the Board and Committee meetings held during the year.

The Company has 3 Independent Directors on Board as on March 31, 2024 and none of director is serving more than seven listed entities as an Independent Director.

During the year, the Independent Directors have held one meeting without presence of any non independent directors, reviewed the performance of non-independent directors and Board as a whole as well as reviewed the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive director and assessed the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties. Further, the independent directors of the Company apart from receiving sitting fees, have no material pecuniary relationship with promoter or any subsidiary company including not entitled for any stock option scheme.

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he / she meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Regulation 25 of the Listing Regulations. The policy on the familiarisation program for Independent Directors including details of Nomination Remuneration committee and their roles and responsibilities are provided in this report.

The Company has an orientation process/ familiarization programme for its independent directors that includes, briefing on their role, responsibilities, duties, and obligations as a member of the Board, nature of business and business model of the Company, Company's strategic and operating plans and matters relating to Corporate Governance, Code of Conduct etc.

e. Familiarization Program for Independent Directors

The Company conducts Familiarization Programme for the Independent Directors to provide them an opportunity to familiarize with the Company, its Management and operations enabling them on clear understanding of their roles, rights and responsibilities and contribute significantly towards the growth of the Company. In compliance to Regulation 25 (7) of Listing Regulations, the Directors including Independent Directors of the Company provided with insights on various aspects on company performance, compliance status, detailed information on regulatory amendment, mandatory information as per listing regulations, capex information, regulatory updates at Board and Audit Committee meeting, Internal Controls and Morgan policy and procedures etc.

The details of such familiarization program for Independent Directors are posted on the website of the Company and can be accessed at – http://www.morganmms.com/en-gb/investors/

f. Disclosure of Formal Letter of Appointment

The draft letter of appointment of the independent director has been disclosed on the Company's website which link is accessible at - http://www.morganmms.com/en-gb/investors/

g. Membership in Board Committees

As per Regulation 26 of the Listing Regulations none of the Directors are members in more than 10 committees or act as chairperson of more than 5 committees [the committees being, Audit Committee and Stakeholders' Relationship Committee] across all public limited companies in which he/she is a Director. All Non-Executive Non-Independent Directors are liable to retire by rotation.

3. BOARD COMMITTEES:

In compliance with Listing Regulations and as per the applicable provisions of Companies Act, 2013, the Company has constituted various committees, namely Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee. The Board periodically reviews the composition and terms of reference of its Committees complying with amendments/modifications to the provisions relating to composition of Committees under the Listing Regulations, Companies Act, 2013 and the Rules issued thereunder. All committees comprise combination of non-executive and executive members for better supervision and control.

a. AUDIT COMMITTEE

In terms of Regulation 18 of Listing Regulations and provisions of the Companies Act, 2013, the qualified and independent Audit Committee comprises of the following Directors:

1. Mr Mukund Bhogale – Chairman and Independent Director

2. Mr Ulhas Gaoli – Independent Director
3. Ms Maithilee Tambolkar – Independent Director
4. Mr Aniruddha Karve – Non-executive Director

All the Members of the Audit Committee are financial literate possessing strong accounting and financial management acquaintance with requisite professional certification and diverse industry knowledge.

The Chairman of the audit committee is an independent director, and he was present at 38th Annual general meeting of the Company to answer shareholder queries. The Company Secretary act as the secretary to the audit committee. During the year, the audit committee had invited the finance controller and a representative of the statutory auditor and other such executives to present at the meetings of the committee.

The terms of reference of the Audit Committee are very wide and are in line with the regulatory requirements mandated by Listing Regulations and the Companies Act, 2013. Besides having the required information from the Company, the Committee can investigate any activity within its terms of reference, also can seek information from any employee, to obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

The Terms of Reference of the Audit Committee broadly covers responsibility to review and recommend the financial statements and to review the adequacy of internal control systems and internal audit functions. This includes having oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommending for appointment, remuneration and terms of appointment of auditors of the company; approval of payment to statutory auditors for any other services rendered by the statutory auditors; reviewing, with the management, quarterly financial results including auditor's review report and annual financial statements and auditor's report thereon before submission to the board for approval; review and monitor the auditor's independence and performance, and effectiveness of audit process; approval or any subsequent modification of transactions of the company with related parties; scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the company, wherever it is necessary; evaluation of internal financial controls over financial reporting and risk management systems; reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

Further, the Committee continues to review the adequacy of internal audit function and discussion with internal auditors for any significant findings and follow up thereon; review of findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board, discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussion to ascertain any area of concern; review the functioning of the Whistle Blower mechanism, carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The Committee depends on the expertise and knowledge of the management, the internal auditor and the statutory auditor. The management is responsible for the preparation, presentation of the Company's financial statements, accounting and financial reporting principles in fair and transparent manner. The management is also responsible for internal control over financial reporting and all procedures are designed to ensure compliance with accounting standards, applicable laws and regulations as well as for objectively reviewing and evaluating the adequacy, effectiveness and quality of the Company's system of internal controls.

Deloitte Haskins & Sells LLP, Chartered Accountants (ICAI Firm's Registration No. 117366W/W-100018), the Company's Statutory Auditor, is responsible for performing an independent audit of the Financial Statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in India.

The Committee met 5 (five) times during the year under review. The gap between two meetings were not exceeded one hundred and twenty days. The details of attendance of the meeting are as follows:

Name	Category	Attendance					AGM
		April 17, 2023	May 30, 2023	August 14, 2023	November 9, 2024	February 13, 2023	August 29, 2023
Mr Mukund Bhogale	Chairman & Non-Executive Independent	✓	✓	✓	✓	–	✓
Mr Subhash Kolapkar	Non-Executive Independent	✓	✓	⊗	⊗	⊗	✓
Ms Maithilee Tambolkar	Non-Executive Independent	✓	✓	✓	✓	✓	–
Mr Martin Coll	Non-Executive	✓	✓	⊗	⊗	⊗	✓
Mr. Ulhas gaoli	Non-Executive Independent	⊗	⊗	✓	✓	✓	✓
Mr Aniruddha Karve	Non-Executive	⊗	⊗	✓	✓	✓	✓

✓ Attended ⊗ Not a part of Committee (–) Leave of absence

The brief terms of reference of Audit Committee is also available on Company's website at following weblink – http://www.morganmms.com/en-gb/investors/

b. NOMINATION AND REMUNERATION COMMITTEE

In terms of Regulation 19 of Listing Regulations and Section 178 (1) of the Companies Act, 2013, the Nomination and Remuneration Committee comprises of 3 Directors all of whom are non-executive directors and at least half are independent directors of the Company. The Chairman of the Committee is an independent director.

In compliance with the above provisions, the Nomination and Remuneration Committee comprises of the following Directors:

1. Mr Ulhas Gaoli – Chairman and Independent Director
2. Mr Mukund Bhogale – Independent Director
3. Aniruddha Karve – Non-Executive Director

The Committee met 2 (two) times during the year under review. The details of attendance of the meeting are as follows:

Name	Category	Attendance		AGM
		May 30, 2023	Nov 11, 2023	August 29, 2023
Mr Ulhas Gaoli	Chairman & Non-Executive Independent	⊗	✓	✓
Mr Mukund Bhogale	Non-Executive Independent	✓	✓	✓
Mr Aniruddha Karve	Non-Executive	✓	✓	✓

✓ Attended ⊗ Not a part of Committee

The Nomination and Remuneration Committee has been vested with the authority to, inter-alia, recommend nominations for Board membership, develop and recommend policies with respect to composition of the Board, 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.

The scope of committee also includes 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 Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and incentive remuneration (variable component) to its Manager as per recommendation of Nomination and Remuneration Committee and approved by Board of Directors and Members of the Company.

Details of Remuneration paid to Executive and Non-Executive Director are as follows:

During the year under review, the following managerial personnel have drawn the remuneration for financial year ended March 31, 2024 –

Mr Nitin Sonawane – Manager & Director
(From April 1, 2023 to March 31, 2024)

Particulars	Amount in ₹ in Lakhs
Salary & Allowances	34.61
Performance Bonus	2.39
Total	**37.00**

Notes:

(a) The Company does not have a Stock Options scheme for the Directors or its senior management.

(b) Non-Executive Director are not holding any shares of the Company.

(c) The performance bonus payable to the Manager is based on revenue & EBIT target, cash generation and personal objective achieved during the financial year.

Sitting fees paid to Independent Directors during the financial year 2023-24 are given below:

Particulars	Amount in ₹ in Lakhs
Mr. Mukund Bhogale	1.2
Mr. Subhash Kolapkar	0.8
Ms. Maithilee Tambolkar	1.2
Mr. Ulhas Gaoli	0.8
Total	

Independent directors receive forty thousand per Board meeting attendance. Apart from the above, the Company is not paying any sitting fees or commission to other Non-executive Directors of the Company and they have waived their right of getting sitting fees for attending the Board and Committee meeting.

c. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholder Relationship Committee functions under the Chairmanship of Mr Mukund Bhogale, Independent Director, and Mr Ulhas Gaoli, Independent Director and Mr Aniruddha Karve members of the Committee. Mr Rupesh Khokle, Company Secretary acts as a Compliance Officer of the Committee till 31st Aug 2023. Thereafter Ms. Pooja Jindal act as a Compliance officer and secretary of the Committee.

The Stakeholders Relationship Committee meets on periodically basis as and when required for the matter of transfer/transmission of securities, issue of duplicate share certificates and monitor redressal of the grievances of the security holders of the Company, non-receipt of annual report, non-receipt of dividend etc. In view of expediting the process to resolve the investor requests/grievances, the Committee has delegated the authority to certain officials of the Company to approve transfer/transmission of not more than 10,000 ordinary equity shares per transfer provided that transferee does not hold 1,00,000 or more equity in the Company. The Committee also authorized to approve transmission of shares and issue of duplicate share certificate.

The Committee met 2 times during the year i.e on May 30, 2023 and February 13, 2024. During the year, the Company haven’t received any complaint from the shareholders of the Company and no complaints were pending as on March 31, 2024. Further, the company has successfully addressed the queries raised by shareholders regarding financial performance of the company during 38th Annual

General Meeting of the Company and any other requests from time to time. The details of attendance of meeting are as per below –

Name	Category	Attendance		AGM
		May 30, 2023	February 13, 2024	August 29, 2023
Mr Mukund Bhogale	Chairman & Non-Executive Independent	✓	⊗	✓
Mr Ulhas Gaoli	Non-Executive Independent	✓	✓	✓
Mr Aniruddha Karve	Non-Executive	✓	✓	✓

✓ Attended ⊗ Leave of absence

Compliance Officer

Mr Rupesh Khokle, Company Secretary, who is the Compliance Officer, till 31st Aug 2023 be contacted at Morganite Crucible (India) Limited, B-11, Waluj MIDC, Aurangabad – 431136 Tel: 91 240 6652523; Email: Rupesh.Khokle@morganplc.com. Thereafter Ms. Pooja Jindal Compliance officer be contacted at Morganite Crucible (India) Limited, B-11, Waluj MIDC, Aurangabad – 431136 Tel: 91 240 6652523; Email: pooja.jindal@morganplc.com Any Complaints or queries relating to the shares can be forwarded to the Company's Registrar and Transfer Agents M/s Link Intime India Private Limited.

d. RISK MANAGEMENT COMMITTEE

As per Regulation 21 of the Listing Regulations Risk Management Committee was constituted and having responsibility to frame, implement and monitor the risk management plan for the Company. We have an established risk management methodology which seeks to identify, prioritise and mitigate risks, underpinned by a 'three lines of defence' model comprising an internal control framework, internal monitoring and independent assurance processes.

The Risk Management Committee of the Board comprises of following members:

1. Mr. Mukund Bhogale – Chairman and Independent Director
2. Mr. Aniruddha Karve – Non-Executive Director
3. Mr. Jonathan Percival – Non-Executive Director

During the year under review, the committee met 2 times during the year as per below details –

Name	Category	Risk Management Committee	
		Aug 14, 2023	February 13, 2024
Mr Mukund Bhogale	Chairman & Non-Executive Independent	✓	⊗
Mr Aniruddha Karve	Non-Executive	✓	✓
Mr Jonathan Percival	Non-Executive	✓	✓

✓ Attended ⊗ Leave of absence

During the year, the Committee reviewed the status of all principal and emerging risks with a significant potential impact on the Company performance. These reviews included an analysis of both the principal risks and emerging risks, together with the controls, monitoring and assurance processes established to mitigate those risks to acceptable levels.

- As a result of these reviews, a number of actions were identified to continue to improve internal controls and the management of risk, including:

- Followed revised Morgan Group's 'thinkSAFE' programme, focusing on developing a caring safety culture, together with work to strengthen our safety systems.
- Increased focus on Trade Compliance with screening of restricted countries and parties through the system;
- Awareness of the Group's 'Speak Up' process;
- Further emphasis on the ethics agenda, including implementing self-certification of policy compliance and change to the Ethics & Compliance training platform;
- Driving forward the Morgan Group's sustainability and environmental agenda.

e. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board of Directors has constituted the Corporate Social Responsibility ("CSR") Committee comprises of following Directors:

1. Mr. Mukund Bhogale – Chairman and Independent Director
2. Mr. Aniruddha Karve – Non-Executive Director
3. Mr. Jonathan Percival – Non-Executive Director

The role of this committee includes being overall responsible for identification, selection, approval, execution, planning, supervision, co-ordination and monitoring of various CSR projects, programmes and activities in line with CSR policy, consider and recommend various schemes/projects for financial assistance for approval of Board of Directors of the Company, to keep updated the Board on execution of the desired CSR activities at periodical intervals and to submit the necessary reports to the Board for their consideration twice in a year, also to interact with the Govt. Officials, NGOs/ Social Organisation for the selection of areas in line Schedule VII of the Companies Act, 2013 and finalization and implementation of Schemes & ensure receipt of statement of expenditure duly certified by an authorized auditor of such organizations/institutions to whom CSR Fund is allocated.

During the year under review, the committee met 2 times during the year as per below details –

Name	Category	Corporate Social Responsibility Committee	
		May 30, 2023	Nov 11, 2023
Mr Mukund Bhogale	Chairman & Non-Executive Independent		
Mr Aniruddha Karve	Non-Executive		
Mr Jonathan Percival	Non-Executive		

Attended   Leave of absence

During the year, the Company has undertaken the following CSR activity –

Summary of CSR Activity	Expenditure
Environmental sustainability, ecological balance, protection of flora and fauna, conservation of natural resources and maintaining quality of soil, air and water	-
Eradication of hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water etc.;	2,80,500.00
Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	82,08,598.17
Total	**84,89,098.17**

4. GENERAL BODY MEETINGS

a. The details of the General meetings held in the last three years are given below:

Financial Year	Venue	Type of Meeting	Date	Time	Special Resolution Passed
March 31, 2021	**Registered Office of the Company:** B-11,MIDC Industrial Area, Waluj, Aurangabad – 431136, Maharashtra, India	AGM	August 5, 2021	11.00 AM	Yes
March 31, 2022		AGM	September 27, 2022	11.00 AM	Yes
March 31, 2023		AGM	August 29, 2023	11.00 AM	Yes

5. OTHER DISCLOSURES:

a. Related Party Transactions

In Compliance with Regulation 23 of Listing Regulations, during the year, all contracts/ arrangements/ transactions entered by the Company during the financial year 2023-24 with related parties were on an arm's length basis and in the ordinary course of business. The Company had taken approval of members for transactions entered with material subsidiary for the financial year 2023-24.

All the transactions were in compliance with the applicable provisions of the Act and Listing Regulations. The transactions with related parties were also being reviewed on quarterly basis at every Audit Committee meeting and ensured that the same were at arms' length basis.

As per Regulation 46 of Listing Regulations the Policy on Materiality of Related Party Transactions and dealing with Related Party Transactions which is available on Company's website at -
http://www.morganmms.com/en-gb/investors/

b. Secretarial Audit and Secretarial Compliance Report

In compliance with Regulation 24A of the Listing Regulations, the Company has engaged M/s Prajot Tungare & Associates to conduct the Secretarial Audit for the financial year 2023-24. The Secretarial Compliance Report for the previous year has been submitted within timeline to the Bombay Stock Exchange.

c. Disclosure of Accounting Treatment in Preparation of Financial Statements

Pursuant to Regulation 48 of Listing Regulations, the Company is in compliance with all applicable and notified Accounting Standards as amended from time to time. The quarterly financial results and annual financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The Board promptly publishes quarterly results after end of every Board Meeting on their website as well as be sent to Bombay Stock Exchange after end of the Board Meeting.

d. Statutory Compliance

Pursuant to Regulation 27(2) of Listing Regulations, the Company have submitted a quarterly compliance report on Corporate Governance to the Bombay Stock Exchange within timeline from the close of every quarter. The Audit Committee and the Board of Directors have reviewed quarterly compliance reports pertaining to all laws applicable of the Company. There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years and no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI. The Company complies with all the mandatory requirements of Listing Regulations with regard to Corporate Governance. A certificate from the Statutory Auditors of the Company to this effect has been included in this Report.

e. Management

a) The management discussions and analysis report shall form part of the Board Report.

b) None of the senior management of the Company has any financial or commercial dealings which had potential conflict of the interest with the Company.

f. Succession Planning

The Company strives to maintain an appropriate balance of skills and experience, within the organization and the Board, in an endeavor to introduce new perspectives, whilst maintaining experience and continuity. In this connection, the Nomination and Remuneration Committee works with the Board on succession of Board members and Senior Management on periodical basis.

g. Shareholders' Information

Mr. Jonathan Percival, Non-executive Director of the Company was proposed to be re-appointed in the ensuing 39th Annual General Meeting (AGM) of the Company.

h. Certification from Company Secretary in practice

A certificate has been received from M/s Prajot Tungare & Associates, Practising Company Secretaries, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

i. Details of total fees paid to statutory auditors

The details of total fees for all services paid by the Company to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part, are as follows –

(Amt in INR Lakhs)

Type of Service	Financial Year 2023-24	Financial Year 2022-23
Statutory Audit	28.70	34.00
Tax Audit	-	2.50
Limited review of quarterly results	11.60	10.50
Certification fees	1.00	1.00
Audit of group reporting package	14.26	10.00
Reimbursement of expenses	-	2.11
Total	**55.56**	**60.11**

j. CEO (MD)/CFO Certification:

As required under Regulation 17(8) of the Listing Regulations, Chief Financial Officer of the Company have certified to the Board regarding the financial statements for the year ended March 31, 2024.

k. Means of Communication:

The Company regularly communicates with stakeholders through various means such as dissemination of information on the Company's website, stock exchange, press releases, the Annual Reports and uploading relevant information on the Company's website.

The unaudited quarterly, half-yearly and audited yearly financial results of the Company were submitted to the stock exchange and published on Company's website immediately after the Board meeting and these financial results were also published in two leading newspapers – Business Standard (English) & Sakal (Marathi). No presentations have been made to institutional investors or analysts.

l. Code of Conduct:

The Company has established code of conduct for its Board Members and Senior Management personnel. The code of conduct for the Board Members and Senior Management personnel is posted on the Company's website http://www.morganmms.com/en-gb/investors/. All the Board members and senior management personnel have complied with the code of conduct.

m. Whistle Blower Policy and Vigil Mechanism:

In compliance with Regulation 22 of Listing Regulations, the Company has set up a Whistle Blower Policy with a view to provide a mechanism for directors and employees of the Company to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc.

We do not unfairly discriminate, and we respect human rights. Our employee policies are set and are within the overall Morgan Group framework. We operate a 'Speak Up' hotline which enables individuals who are aware of, or suspect, issues contravening Morgan's Human Rights Policy, or wider concerns on policy adherence, to report these confidentially. All issues are investigated, individuals responded to where contact information is given, and progress is tracked to conclusion.

The ethics policy poster having dedicated e-mail address and toll free number are placed in various places of company's premises and no personnel has been denied access to the audit committee for reporting purpose as well as the said policy is also posted on the company's website which can be accessible on the following weblink- http://www.morganmms.com/en-gb/investors/

n. Prevention of Insider Trading

In line with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018 the Company has amended the policy which includes policy, procedure on handling of Undisclosed Price Sensitive Information.

o. Confirmation to Corporate Governance

The Company has complied with requisite 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 as may applicable.

p. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: Section 134 of the Act, read with Rule 8 of the Companies (Accounts) Rules,2014

a. number of complaints filed during the financial year -Nil

b. number of complaints disposed of during the financial year -Nil

c. number of complaints pending as on end of the financial year -Nil

q. Dividend Distribution Policy

Pursuant of Regulation 43A of Listing Regulations, the Company has voluntarily adopted Dividend Distribution Policy mainly covering –

i. the circumstances under which the shareholders of the listed entities may or may not expect dividend;

ii. the financial parameters that shall be considered while declaring dividend;

iii. internal and external factors that shall be considered for declaration of dividend;

iv. policy as to how the retained earnings shall be utilized; and

v. parameters that shall be adopted with regard to various classes of shares:

The said Dividend Distribution Policy is also disclosed on the Company's website and can be found with below link –
http://www.morganmms.com/en-gb/investors/

r. Payment of Dividend:

Pursuant to Regulation 12 of the Listing Regulations, the Company has transferred the dividend by way of electronic mode as approved by the Reserve Bank of India and also issued warrants to physical shareholders. The requisite dividend warrants were dispatched through speed post to the shareholders at their address registered with Registrar and Transfer Agent.

s. Unclaimed Dividend Account:

As per Section 124 of the Companies Act, 2013 any dividend amount unpaid or unclaimed for a period of seven years to be transferred to Investor Education and Protection Fund. The details of unpaid dividend as on March 31, 2024 given as below:

Year	Dividend per share	Date of Declaration	Due Date	Unclaimed Amount in INR Lakhs
2023-24 (Interim)	28	09/11/2023	08/12/2023	10.64
2022-23 (Final)	11	29/08/2023	28/09/2023	5.16
2022-23 (Interim)	9	10/11/2022	09/12/2022	4.01
2021-22 (Final)	12	27/09/2022	26/10/2022	5.83
2021-22 (Interim)	₹ 42	12/11/2021	24/12/2021	16.97
2019-20	₹ 16	06/08/2020	05/09/2021	3.73
2018-19 (Final)	₹ 12	07/08/2019	06/09/2019	4.97
2018-19 (Interim)	₹ 4	13/11/2018	12/12/2018	1.73
2017-18	₹ 16	08/08/2018	07/09/2018	6.27
2016-17	₹ 8	09/08/2017	08/09/2017	3.81

t. Transfer of Unclaimed Shares to Investor Education and Protection Fund (IEPF)

The Company had declared final dividend of ₹ 1/- per share for the financial year ending March 31, 2015 in the 30th Annual General Meeting of members held on September 22, 2015 and as per Section 125 (2) of the Companies Act, 2013 and Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer And Refund) Rules, 2016 as amended from time to time, the amount lying in the Unpaid Dividend Account needs to be transferred to the IEPF after period of seven years including shares.

As of March 31, 2023, the unpaid dividend amount of ₹ 302044/- was laying in the Unpaid Dividend Account holding with Axis bank Ltd, Aurangabad branch was duly transferred to Investor Education and Protection Fund (IEPF) account.

u. Grievance Redressal Mechanism

As per Regulation 13 of Listing Regulations, the Company has adopted adequate steps are taken for expeditious redressal of investor complaints.

During the year under review, the Company has filed with the recognized stock exchange on a quarterly basis, within twenty one days from the end of each quarter, a statement giving the number of investor complaints pending at the beginning of the quarter, those received during the quarter, disposed of during the quarter and those remaining unresolved at the end of the quarter. The statement as specified in sub-regulation (3) was placed, on quarterly basis, before the Board of Directors of the Company.

6. GENERAL INFORMATION FOR SHAREHOLDERS:

a. Date, Time and Venue of 39th Annual General Meeting:

Date & Time: Tuesday, August 13, 2024 at 11:00 AM

Venue: B-11 Waluj MIDC, Aurangabad – 431136 Physical

b. Financial Calendar for the year 2024-25:

Financial year	:	April 1, 2024 to March 31, 2025
First Quarter results	:	Second week of August, 2023
Half Yearly results	:	Second week of November, 2023
Third Quarter results	:	Second week of February, 2024
Results for year-end	:	Third week of May, 2024

c. Date of Book Closure:

7 August, 2024, to 13 August, 2024, (both days inclusive)

f. Listing Details:

Name of Stock Exchange:	Bombay Stock Exchange Limited
Address:	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001
Security Code:	523160
Stock Symbol :	MORGANITE
ISIN Number:	INE599F01012

g. Corporate Identity Number (CIN) of the Company : L26920MH1986PLC038607

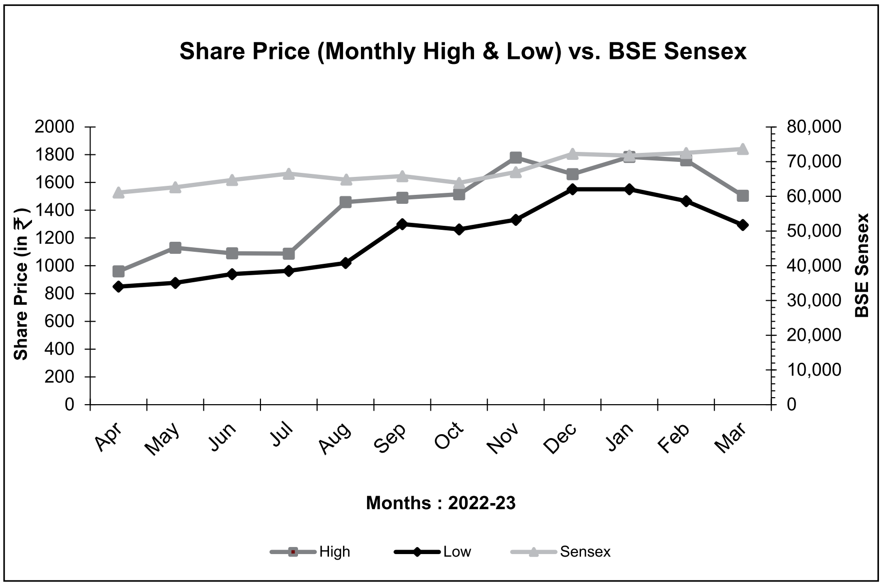
The annual listing fee as applicable have been duly paid to the above stock exchange.

h. Market Price Data:

High, Low and number of equity shares traded during each month in the year 2023-24 on BSE :

Month	High	Low	Volume	BSE Sensex
Apr-23	960	851	12,726	61,112
May-23	1,130	877	41,202	62,622
Jun-23	1,090	940	25,673	64,719
Jul-23	1,087	963	37,317	66,528
Aug-23	1,459	1,020	1,25,316	64,831
Sep-23	1,490	1,300	32,901	65,828
Oct-23	1,515	1,262	35,626	63,875
Nov-23	1,779	1,331	81,935	66,988
Dec-23	1,660	1,551	41,173	72,240
Jan-24	1,785	1,551	41,151	71,752
Feb-24	1,760	1,466	27,539	72,500
Mar-24	1,505	1,294	30,728	73,651

Performance of the share price of the Company in comparison to the BSE Sensex:



i. Distribution of Shareholding as at March 31, 2024:

Sr No	Particulars	No. of Shares	No. of Shareholders	% of Share Capital
1	Promoter			
	a. Morganite Crucible Limited	21,56,000	1	38.50
	b. Morgan Terrassen B V	20,44,000	1	36.50
2	Public	14,00,000	6268	25.00
3	Nationalised Bank	1,200	2	0.02
	Foreign Portfolio Investors	-	-	-
4	HUF	84,898	262	1.51
4	NRI	30,641	109	0.54
6	Non-NRI	11,98,759	5847	21.40
7	Bodies Corporate	51,796	47	00.92
8	IEPF	32,706	1	0.58
	TOTAL	**56,00,000**	**6270**	**100.00**

j. Dematerialization of securities:

The Equity shares of the Company are traded compulsorily in the dematerialized segment of Bombay Stock Exchange (BSE) and are under rolling settlement. Presently, 55,16,136 Equity Shares representing 98.50% of the total Equity Capital of the Company were held in dematerialized as on March 31, 2024.

k. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments

l. Share transfer system:

The share transfers received in physical form are processed by the Registrar and Transfer Agent and approved by the Stakeholders' Relationship Committee. The share certificates are returned to the member/s within the stipulated period, subject to the documents being valid and complete in all respects. A summary of transfer/ transmission of shares of the Company so approved are placed at Board Meeting.

m. Registered Office and Plant Locations:

Registered Office and plant location :

Morganite Crucible (India) Limited Unit: Aurangabad

B-11, MIDC Waluj, Aurangabad – 431 136 (MS)

n. Compliance Officer / Contact Person & Address for Correspondence:

Ms. Pooja Jindal

Company Secretary & Compliance officer

E-mail: pooja.jindal@morganplc.com

Regd. Office: B-11, MIDC Waluj,
Aurangabad - 431 136 (MS)

o. Investor services

E-mail: pooja.jindal@morganplc.com

p. Registrars & Transfer Agents

Link Intime India Private Limited

C 101, 247 Park, L B S Marg, Vikhroli West,

Mumbai - 400 083

Tel No: +91 22 49186000 Fax: +91 22 49186060

Investor contact details will be as follows :

Share / Bond Registry	rnt.helpdesk@linkintime.co.in	+91 22 49186270
	bonds.helpdesk@linkintime.co.in	

For and on behalf of the Board,

Jonathan Percival
Director
DIN: 09701284

Aniruddha Karve
Director
DIN: 07180005

Place: Aurangabad
Date: May 21, 2024

CEO(MD)/CFO CERTIFICATION TO THE BOARD

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of their knowledge and belief:

   i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) These statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps they have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee -

   i) Significant change in internal control over financial reporting during the year;

   ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Jonathan Percival
Director

Hanumant Mandale
Chief Financial Officer

Date: May 21, 2024
Place: Aurangabad

CORPORATE GOVERNANCE CERTIFICATE

To,

The Board of Directors
Morganite Crucible (India) Limited
B-11 MIDC Industrial Area, Waluj,
Aurangabad - 431136, Maharashtra (IN).

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with the terms of our engagement letter reference no. JP/2023-24/173A dated October 30, 2023.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of Morganite Crucible (India) Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2024, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2024.

9. We state that 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jayesh Parmar
Partner
(Membership No. 106388)
UDIN: 24106388BKCTVY7194

Aurangabad, May 21, 2024

Independent Auditor's Report

TO THE MEMBERS OF
MORGANITE CRUCIBLE (INDIA) LIMITED

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of Morganite Crucible (India) Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2024, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year ended on that date, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Indian Accounting Standards prescribed under section 133 of the Act, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements 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 Responsibility for the Audit of the 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report and management discussion and analysis including its annexures but does not include the financial statements and our auditor's report thereon.

- Our opinion on the 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 financial statements or our knowledge obtained during the course of our 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 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 financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors 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 the Board of Directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial controls 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 with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial controls 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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act, based on our audit 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, except for not complying with the requirement of audit trail as stated in (i)(vi) below.

c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f) The modification/s relating to the maintenance of accounts and other matters connected therewith, is/are as stated in paragraph (b) above.

g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.

h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

i) 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, as amended 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.

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.]

   (c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

   v. The interim dividend declared and paid by the Company during the year and until the date of this report is in accordance with section 123 of the Act.

   The final dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with section 123 of the Act.

As stated in note 19 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the financial year ended 31 March 2024 which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail is enabled at the database level for accounting software.

As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended 31 March 2024.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jayesh Parmar
Partner
Membership No. 106388
UDIN: 24106388BKCTVX8688

Place: Aurangabad
Date: 21 May 2024

Annexure "A"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (1)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to 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 financial statements of Morganite Crucible (India) Limited ("the Company") as at 31 March 2024 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 with reference to financial statements based on the internal control with reference to financial statements 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. 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 the 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company 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") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 adequate internal financial controls with reference to financial statement was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy 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 judgement, 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 WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2024, based on the criteria for internal financial control with reference to financial statements 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 **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jayesh Parmar
Partner
Membership No. 106388
UDIN: 24106388BKCTVX8688

Place: Aurangabad
Date: 21 May 2024

Annexure "B"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) In respect of its Property, Plant and Equipment and Intangible Assets:

A. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, Capital work-in-progress and relevant details of right-of-use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) The Property, Plant and Equipment, capital work-in-progress, and right-of-use assets were physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. No material discrepancies were noted on such verification.

(c) Based on our examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the immovable properties, (other than immovable properties where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment and capital work-in progress are held in the name of the Company as at the balance sheet date.

(d) The Company has not revalued any of its property, plant and equipment and intangible assets during the year.

(e) No proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) The inventories, excluding Goods in Transit, were physically verified during the year by the Management at reasonable intervals. In our opinion and according to the information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.

(b) According to the information and explanations given to us, at any point of time of the year, the Company has not been sanctioned any working capital facility from banks or financial institutions and hence reporting under clause 3(ii)(b) of the Order is not applicable.

(iii) The Company has not made any investments in, provided any guarantee or security, and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year, and hence reporting under clause 3(iii) of the Order is not applicable.

(iv) According to information and explanation given to us, the Company has not granted any loans, made investments, or provided guarantees or securities that are covered under the provisions of sections 185 or 186 of the Companies Act, 2013, and hence reporting under clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.

(vi) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.

(vii) In respect of statutory dues:

(a) Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, Sales Tax, duty of Custom, duty of Excise, Value Added Tax, cess and other material statutory dues applicable to the Company have generally been regularly deposited by it with the appropriate authorities though there have been delays in respect of remittance of Provided fund, Professional Tax and Employees' State Insurance dues.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Custom, cess and other material statutory dues in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.

(b) Details of dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax which have not been deposited as on 31 March 2024 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount of Dispute (₹ in lakhs)	Amount paid under protest (₹ in lakhs)
Gujrat Value Added Tax Act, 2003	Value Added Tax	Assistant Commissioner of Sales Tax	2001-02 to 2005-06	92.52	-

(viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

(ix) (a) The Company has not taken any loans or other borrowings from any lender. Hence reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not taken any term loan during the year and there are no unutilised term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.

(d) The Company has not raised any short-term funds during the year and hence, reporting under clause 3(ix)(d) of the Order is not applicable.

(e) The Company did not have any subsidiary or associate or joint venture during the year and hence, reporting under clause 3(ix)(e) of the Order is not applicable.

(f) The Company has not raised any loans during the year and hence reporting on clause 3(ix)(f) of the Order is not applicable.

(x) (a) The Company has not issued any of its securities (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

(b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report) and provided to us, when performing our audit.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.

(xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.

(b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2024.

(xv) In our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.

(b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.

(xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors of the Company during the year.

(xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, the Company has fully spent the required amount towards Corporate Social Responsibility (CSR) and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable for the year.

(b) In respect of ongoing projects, the Company has not transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account within a period of 30 days from the end of the financial year in compliance with section 135(6) of the Act. The details of the amounts unspent, the amounts transferred and the amounts remaining to be transferred are given below:

(₹ In lakhs)

Financial Year	Amount unspent on Corporate Social Responsibility activities for "Ongoing Projects" as at Balance Sheet date	Amount Transferred to Special Account within 30 days from the end of the Financial Year	Amount Transferred after the due date*	Amount pending to be transferred as at the report date
FY 20-21	2	-	2	-*

* The Company has transferred Rs 2 lakhs on 18 May 2024 to special account which was unspent as at report date. Additionally, Rs 0.50 lakhs was transferred on 05 May 2022 to special account which was unspent as at report date.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)

Jayesh Parmar
Partner
Membership No. 106388
UDIN: 24106388BKCTVX8688

Place: Aurangabad
Date: 21 May 2024

Balance Sheet

AS AT MARCH 31, 2024

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
Assets			
Non-current assets			
(a) Property, plant and equipment	5	**5,871.15**	5,168.43
(b) Right-of-use asset	6	**138.84**	10.68
(c) Capital work-in-progress	5	**14.86**	139.89
(d) Goodwill	40	**137.81**	137.81
(e) Other intangible assets	7	**12.27**	22.26
(f) Financial assets			
(i) Other financial assets	8	**61.38**	46.62
(g) Deferred tax assets (net)	9	**149.68**	88.32
(h) Income tax assets (net)		**613.05**	437.12
(i) Other non-current assets	10	**201.86**	25.11
Total non-current assets		**7,200.90**	**6,076.23**
Current assets			
(a) Inventories	11	**2,074.88**	2,340.40
(b) Financial assets			
i. Trade receivables	12	**2,671.36**	2,706.76
ii. Cash and cash equivalents	13	**4,936.62**	4,514.17
iii. Bank balances other than in (ii) above	14	**63.57**	52.94
iv. Loans	15	**5.43**	10.82
v. Other financial assets	16	**15.46**	7.96
(c) Other current assets	17	**453.20**	400.66
Total current assets		**10,220.52**	**10,033.71**
Total assets		**17,421.42**	**16,109.94**
Equity and Liabilities			
Equity			
(a) Equity share capital	18	**280.00**	280.00
(b) Other equity	19	**12,552.26**	12,415.40
Total equity		**12,832.26**	**12,695.40**
Liabilities			
Non-current Liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	6	**103.67**	-
Total non-current liabilities		**103.67**	**-**
Current Liabilities			
(a) Financial liabilities			
(i) Lease Liabilities	6	**30.44**	-
(ii) Trade payables			
Total outstanding dues of micro enterprises and small enterprises (refer note 33)	20	**358.23**	258.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	20	**2,951.72**	2,500.67
(iii) Other financial liabilities	21	**201.79**	122.59
(b) Other current liabilities	22	**367.23**	188.10
(c) Provisions	23	**576.08**	337.29
(d) Current Tax liabilities (net)		**-**	7.53
Total current liabilities		**4,485.49**	**3,414.54**
Total liabilities		**4,589.16**	**3,414.54**
Total equity and liabilities		**17,421.42**	**16,109.94**
Material accounting policies	3		
Notes to the financial statements	4-44		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Jayesh Parmar
Partner
Membership No : 106388

Place: Aurangabad
Date: 21 May 2024

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited
CIN: L26920MH1986PLC038607

Jonathan Percival
Director
DIN : 09701284

Aniruddha Karve
Director
DIN : 07180005

Hanumant Mandale
Chief Financial Officer

Pooja Jindal
Company Secretary

Place: Aurangabad
Date: 21 May 2024

Statement of Profit and Loss

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars		Note No.	Year Ended March 31, 2024	Year Ended March 31, 2023
I.	Revenue from operations	24	16,793.43	15,458.91
II.	Other income	25	610.24	483.13
III.	**Total income (I+ II)**		**17,403.67**	**15,942.04**
IV.	**Expenses**			
	Cost of materials consumed	26	6,360.82	6,904.13
	Purchases of stock-in-trade		118.18	32.02
	Changes in inventory of finished goods, stock in trade and work-in-progress	27	65.81	(27.91)
	Employee benefit expenses	28	1,759.12	1,609.91
	Finance Cost	6	14.19	-
	Depreciation and amortization expenses	5,6&7	844.65	775.37
	Other expenses	29	4,640.91	4,416.37
	Total expenses (IV)		**13,803.68**	**13,709.89**
V.	**Profit/(Loss) before tax exceptional items (III - IV)**		**3,599.99**	**2,232.15**
	Exceptional items	39	321.08	-
VI.	**Profit/ (Loss) after exceptional items and before tax**		**3,278.91**	**2,232.15**
VII.	**Tax expense**			
	Current tax	9	997.28	610.37
	Short provision in respect of earlier years	9	(14.93)	-
	Deferred tax	9	(52.03)	9.83
	Total tax expense (VII)		**930.32**	**620.20**
VIII.	**Profit/(Loss)for the year (VI - VII)**		**2,348.59**	**1,611.95**
IX.	**Other comprehensive Income**			
	a) Remeasurements income/(losses) on defined benefit plans		(37.07)	4.99
	Income tax relating to item that will not be reclassified to profit or loss		9.33	(1.00)
	Other comprehensive gains/(loss) for the year, net of tax (IX)		**(27.74)**	**3.99**
X.	**Total comprehensive income for the year (VIII + IX)**		**2,320.85**	**1,615.94**
	(a) Earnings Per Share: (Face value of ₹ 5 per share)			
	Basic (₹)		41.94	28.78
	Diluted (₹)		41.94	28.78
Material accounting policies		3		
Notes to the financial statements		4-44		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Jayesh Parmar
Partner
Membership No : 106388

Place: Aurangabad
Date: 21 May 2024

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited
CIN: L26920MH1986PLC038607

Jonathan Percival
Director
DIN : 09701284

Aniruddha Karve
Director
DIN : 07180005

Hanumant Mandale
Chief Financial Officer

Pooja Jindal
Company Secretary

Place: Aurangabad
Date: 21 May 2024

Statement of Cashflow

for the year ended March 31, 2024

(₹ in Lakhs)

	Particulars	31 March, 2024	31 March, 2023
A)	**Cash flow from operating activities**		
	Profit before tax	**3,278.91**	**2,232.15**
	Adjustments for :		
	Interest income	(87.43)	(9.41)
	Interest expense on lease liability	14.19	-
	Unrealised (Gain)/ Loss on account of foreign currency transactions and translation	17.34	5.52
	Depreciation on property, plant and equipment	801.01	766.62
	Depreciation on right-of-use-assets	33.65	0.17
	Amortisation of intangible assets	9.99	8.58
	(Gain)/Loss on sale of property, plant and equipment	15.04	(8.03)
	Provision/ (reversal) for doubtful receivables	2.04	(9.94)
		805.83	**753.51**
	Changes in working capital :		
	Decrease/(Increase) in inventories	265.52	(69.51)
	Decrease/(Increase) in trade receivables	15.71	426.93
	Decrease/(Increase) in loans, other financial assets and other assets (Current and Non current)	(67.13)	452.21
	Increase/(Decrease) trade payables, other financial liabilities, other liabilities and provisions (Current and Non current)	1,219.25	177.51
	Cash generated from operating activities	**5,518.09**	**3,972.80**
	Income taxes paid (net)	(1,202.89)	(792.09)
	Net cash flows generated from operating activities (A)	**4,315.20**	**3,180.71**
B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and intangible assets (including movement in capital work in progress and capital advances)	(1,773.52)	(1,076.21)
	Proceeds from sale of property, plant and equipment	35.05	19.63
	Bank balances not considered as Cash and cash equivalents	-	14.20
	Investment in bank deposits	-	-
	Maturity of bank deposits	-	-
	Interest received	85.93	3.15
	Net cash generated / (used) in investing activities (B)	**(1,652.54)**	**(1,039.23)**
C)	**Cash flows from financing activities**		
	Repayment of Lease Liability including interest	(41.88)	-
	Payment of dividend (including Dividend Distribution Tax thereon)	(2,194.63)	(1,186.15)
	Net cash used in financing activities (C)	**(2,236.51)**	**(1,186.15)**
	Net (decrease) / increase in cash and cash equivalents (A+B+C)	**426.15**	**955.32**
	Effect of exchange differences on cash and cash equivalents held in foreign currency	(3.70)	(8.54)
	Cash and cash equivalents at the beginning of the year	4,514.17	3,567.39
	Cash and cash equivalents at the end of the year	**4,936.63**	**4,514.17**

Statement of Cashflow

for the year ended March 31, 2024

(₹ in Lakhs)

Particulars		31 March, 2024	31 March, 2023
Components of cash and cash equivalents			
Cash and cash equivalents comprises of:			
Cash on hand		-	0.13
Bank balances			
- in current accounts		2,482.59	2,341.91
- Export Earner's Foreign Currency account		835.69	559.41
- in deposits accounts (with original maturity of 3 months or less)		1,618.35	1,612.72
Total cash and cash equivalents (refer note 13)		**4,936.63**	**4,514.17**
Reconciliation of Cash and cash equivalents with the Balance Sheet:			
Cash and bank balances		5,000.20	4,567.11
Less: Bank balances not considered as Cash and cash equivalents as defined in Ind AS 7 Cash Flow Statements:			
(i) In earmarked accounts (Refer Note (i) below)			
- Unpaid dividend accounts		63.07	52.44
- Other earmarked accounts		0.50	0.50
Bank balances not considered as Cash and cash equivalents		63.57	52.94
Total cash and cash equivalents at the end of the year		**4,936.63**	**4,514.17**

Note:

(i) These earmarked account balances with banks can be utilised only for the specific identified purposes.

(ii) For amounts spent on Corporate Social responsibility (CSR) refer note 29(ii).

Material accounting policies	3		
Notes to the financial statements	4-44		

The notes referred to above form an integral part of the Statement of Cash Flow
As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Jayesh Parmar
Partner
Membership No : 106388

Place: Aurangabad
Date: 21 May 2024

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited
CIN: L26920MH1986PLC038607

Jonathan Percival
Director
DIN : 09701284

Aniruddha Karve
Director
DIN : 07180005

Hanumant Mandale
Chief Financial Officer

Pooja Jindal
Company Secretary

Place: Aurangabad
Date: 21 May 2024

Statement of changes in equity

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Equity	Reserves and Surplus						Items of OCI	Total equity
		General reserves	Capital reserve	Securities premium	Capital Profit on Forfeited shares	Statutory Reserve	Retained earnings	Remea-surement losses on defined benefit plans	
Balance as at 1 April 2022	280.00	525.49	67.65	350.00	0.04	8.70	11,080.38	(56.79)	12,255.47
Profit for the year	-	-	-	-	-	-	1,611.95	-	1,611.95
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	3.99	3.99
Payment of dividend	-	-	-	-	-	-	(1,176.00)	-	(1,176.00)
Balance as at 31 March 2023	**280.00**	**525.49**	**67.65**	**350.00**	**0.04**	**8.70**	**11,516.33**	**(52.80)**	**12,695.41**
Balance as at 1 April 2023	280.00	525.49	67.65	350.00	0.04	8.70	11,516.33	(52.80)	12,695.41
Profit for the year	-	-	-	-	-	-	2,348.59	-	2,348.59
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	(27.74)	(27.74)
Payment of dividend	-	-	-	-	-	-	(2,184.00)	-	(2,184.00)
Balance as at 31 March 2024	**280.00**	**525.49**	**67.65**	**350.00**	**0.04**	**8.70**	**11,680.92**	**(80.54)**	**12,832.26**
Material accounting policies		3							
Notes to the financial statements		4-44							

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
Firm's Registration No: 117366W/W-100018

Jayesh Parmar
Partner
Membership No : 106388

Place: Aurangabad
Date: 21 May 2024

For and on behalf of the Board of Directors of
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Chief Financial Officer

Pooja Jindal
Company Secretary

Place: Aurangabad
Date: 21 May 2024

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

1. GENERAL INFORMATION

Morganite Crucible (India) Limited ('the Company') is a company limited by shares incorporated in India. The address of its registered office and principle place of business are disclosed in the introduction to the Annual Report. The principal activities of the company are the manufacture and selling of silicon carbide and clay graphite crucibles and its accessories.

The financial statements are presented in ₹ in Lakhs.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind-AS") as per the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 notified under Section 133 of the Companies Act, 2013 ("the Act") and other relevant provisions of the Act.

Details of the Company's material accounting policies are included in Note 3.

b. Functional and presentation currency

These financial statements are presented in Indian Rupees ("₹"), which is also the Company's functional currency. All amounts included in the financial statements are rounded-off to the nearest lakh to two decimal points, except share and per share data, unless otherwise stated.

c. Basis of measurement

The financial statements have been prepared on the historical cost basis except for defined benefit obligations and certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

d. Use of estimates and judgment

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosures relating to the contingent liabilities as at the date of the financial statements. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

e. Current and Non-Current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. It is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realized within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within 12 months after the reporting date; or

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

d. the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of liability that could, at the option of the counterparty, result in its settlement by the issue of equity instrument do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent. The operating cycle for the Company is less than 12 months.

f. Impact of the initial application of new and amended IND ASs that are effective for an annual period that begins on or after 1 April 2023:

In the current year, the Company has applied the below amendments to Ind ASs that are effective for an annual period that begins on or after 1 April 2023.

Particulars	Description
Amendments to Ind AS 1 – Presentation of Financial Statements	The Company has adopted the amendments to Ind AS 1 for the first time in the current year. The amendments change the requirements in Ind AS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term 'significant accounting policies' with 'material accounting policy information'. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can desirably be expected to influence decisions that primary users of general purpose financial statements make on the basis of those financial statements. The supporting paragraphs in Ind AS 1 are also amended to clarify that accounting policy information that relates to immaterial transactions, other events or conditions is immaterial and need not be disclosed. Accounting policy information may be material because of the nature of the related transactions, other events or conditions, even if the amounts are immaterial. However not all accounting policy information relating to material transactions, other events or conditions is itself material.
Amendments to Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors – Definition of Accounting Estimates	The group has adopted the amendments to Ind AS 8 first time in the current year. The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". The definition of a change in accounting estimates was deleted.

The financial statements do not demonstrate the impact of the application of new and revised Ind AS that are not yet mandatorily effective on 1 April 2023.

3. MATERIAL ACCOUNTING POLICIES

a. Going Concern

The directors have, at the time of approval of financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

b. Goodwill

Goodwill is initially recognized and measured as set out above. Goodwill is not amortized but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Company's cash-generating units.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognized for goodwill is not reversed in a subsequent period.

On disposal of a cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

c. Revenue Recognition

Sale of goods

Revenue is recognized upon transfer of control of goods to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those goods.

Revenue from the sale of goods is recognized at the point in time when control is transferred to the customer which is usually on dispatch / delivery of goods, based on contracts with the customers. Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, price concessions, and returns, if any, as specified in the contracts with the customers. Revenue excludes taxes collected from customers on behalf of the government. Accruals for discounts and returns are estimated (using the most likely method) based on accumulated experience and underlying schemes and agreements with customers. Due to the short nature of credit period given to customers, there is no financing component in the contract.

Interest income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "other income" in the statement of profit and loss.

Export benefit

Export entitlements (such as Duty draw back, Focus Market Scheme and Merchandise Exports from India Scheme) are recognized in the statement of profit and loss when revenue from exports is recognized and there is no significant uncertainty regarding the entitlement to the credit and the amount thereof.

d. Foreign currency transactions

i. Initial recognition

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the date of Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognized in the profit or loss.

ii. Derivative financial instruments

The Company holds derivative financial instruments to hedge its foreign currency exposure. Derivatives are measured at fair value and changes therein are recognized in Statement of Profit and Loss.

iii. Conversion

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognized in profit or loss.

e. Leases

The company as a lessee

The Company's lease asset classes primarily consist of leases for machinery and vehicles. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains,

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

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.

At the date of commencement of the lease, the Company recognizes a right-of-use asset (“ROU”) and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability:

i. Fixed Lease Payments (including in-substance fixed payments), less and lease incentives receivable;

ii. Variable Lease Payments that depend on an index or rate, initially measured using the index or rate at the commencement date;

iii. The amount expected to be payable by the lessee under residual value guarantees;

iv. The exercise price of purchase options, if the lessee is reasonably certain to exercise the options;

v. Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line item in the Balance Sheet. The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. They are separately presented in the Balance Sheet.

f. Foreign Currencies

On the disposal of a foreign operation, all of the exchange differences accumulated in a foreign exchange translation reserve in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

g. Government Grants

Government grants are not recognized until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets (including property, plant and equipment) are recognized as deferred income in the consolidated balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Company with no future related costs are recognized in profit or loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

h. **Employee benefits**

(i) **Short-term and long-term employee benefits:**

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange of the related service.

Liabilities recognized in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the company in respect of services provided by employees up to the reporting date.

(ii) **Post employment benefits:**

Defined contribution plans

The Company has defined contribution plans for post-employment benefits namely Provident Fund and Superannuation Scheme which are recognized by the income tax authorities. The Company contributes to a government administered provident fund and superannuation fund on behalf of its employees and has no further obligation beyond making its contribution. The Company makes contributions to state plans namely Employee's State Insurance Fund and Employee's Pension Scheme and has no further obligation beyond making the payment to them. The Company's contributions to the above funds are charged to the Statement of Profit and Loss every year.

Defined benefit plans

The Company's gratuity scheme with Life Insurance Corporation of India is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. The present value of the obligation under such defined benefit plan is determined based on independent actuarial valuation at the Balance Sheet date 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 plan are based on the market yields on Government securities as at the Balance Sheet date. Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in profit or loss.

Compensated absences:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability. The cost of providing benefits is actuarially determined using the projected unit credit method, with actuarial valuations being carried out at each Balance Sheet date. All gains/losses due to actuarial valuations are immediately recognized in the Statement of Profit and Loss.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Employee separation cost

Compensation paid / payable to employees who have opted for retirement under a Voluntary Retirement Scheme including ex-gratia is charged to the Statement of Profit and Loss in the year of separation.

Retirement and termination benefits costs:

Payments to defined contribution retirement benefit plans are recognized as an expense when employees have rendered service entitling them to the contributions. Payments made to state-managed retirement benefit plans are accounted for as payments to defined contribution plans where the Company's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

For defined benefit retirement plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurements comprising actuarial gains and losses, the effect of the assets ceiling (if applicable) and the return on plan assets (excluding interest) are recognized immediately in the balance sheet with the charge or credit to other comprehensive income in the period in which they occur. Remeasurements recognized in other comprehensive income are not reclassified. Past service cost is recognized in profit or loss when the plan amendment or curtailment occurs. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

i. Service costs, which includes current service cost, past service cost and gains and losses on curtailments and settlements;

ii. Net interest expense or income; and

iii. Remeasurements.

The Company recognizes service costs within profit or loss as employee benefits expense.

Net interest expense or income is recognized within finance costs.

The retirement benefit obligation recognized in the balance sheet represents the deficit or surplus in the Company's defined benefit plans.

i. Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and for the tax are also recognized in other comprehensive income or directly in equity respectively.

j. Current Tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

A provision is recognized for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgment of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on independent tax specialist advice.

Deferred Tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the Balance sheet method. Deferred tax liabilities are generally recognized for all taxable

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognized if the temporary difference arises from the initial recognition of goodwill.

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 profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and localities on a net basis.

k. Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation and accumulated impairment losses, if any. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Capital work-in-progress comprises of the cost of property, plant and equipment that are not yet ready for their intended use as at the balance sheet date. Any gain or loss on disposal of an item of property, plant and equipment is recognized in profit or loss.

Subsequent expenditure

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing property, plant and equipment, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the year during which such expenses are incurred.

l. Depreciation of tangible assets

Leasehold land is amortized on a straight line basis over the primary period of lease, i.e. 99 years. Depreciation on property, plant and equipment is provided on straight line method at estimated useful live, which in certain categories of assets is different than the estimated useful life as specified in Schedule II of the Companies Act, 2013 ('Schedule II'). The useful life of assets adopted by the Company are as under:

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Asset head	Useful life applied by the company
Office building	60 years
Factory building	30 years
Plant and machinery*	3 to 15 years
Relining of Kiln*	3 years
Computers	3 years
Vehicles	8 years
Office equipment	5 years
Furniture and fixtures	10 years

*For these class of assets, based on internal technical assessment, the useful lives as given above are believed to best represent the period over which the assets are expected to be used. Hence, the useful life of these assets are different from the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

Property, plant and equipment under construction are disclosed as capital work-in progress. Capital work-in-progress includes the cost of fixed assets that are not ready to use at the Balance Sheet date.

Property, plant and equipment is eliminated from the financial statements on disposal or when no further benefit is expected from its use and disposal.

Losses arising from retirement and gains or losses arising from disposal of Property, plant and equipment which are carried at cost are recognized in the Statement of Profit and Loss. In case of disposal of revalued asset, the difference between net disposal proceeds and the net book value is charged or credited to the Statement of Profit and Loss except that to the extent that such loss is related to an existing surplus on that asset recognized in revaluation reserve, it is charged directly to that reserve.

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives which are disclosed above. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses. Software cost is amortized on a straight-line basis over a period of 5 years, which in management's opinion represents the period during which economic benefits will be derived from their use.

m. Internally Generated intangible assets – research and development expenditure

Expenditure on research activities is recognized as an expense in the period in which it is incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if, and only if, all of the following conditions have been demonstrated:

i. The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii. the intention to complete the intangible asset and use or sell it;

iii. the ability to use or sell the intangible asset;

iv. how the intangible asset will generate probable future economic benefits;

v. the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

vi. the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally generated intangible asset can be recognized, development expenditure is recognized in profit or loss in the period in which it is incurred.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

n. Derecognition of intangible assets

An Intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in profit or loss when the asset is derecognized.

o. Impairment of property, plant and equipment and intangible assets excluding goodwill

At each reporting date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimate the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest Company of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of Fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that should have been determined had no impairment loss been recognized for the asset (or cash-generating unit) In prior years. A reversal of an impairment loss is recognized immediately in profit or loss to the extent that it eliminates the impairment loss which has been recognized for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

p. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventory to their present location and condition. Cost is calculated using the weighted average cost method. Finished goods and Work-in progress include appropriate proportion of costs of conversion. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Valuation of work-in-progress is based on stage of completion. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

q. Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash, that are subject to an insignificant risk of change in value with an original maturity within three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

r. Financial Instruments

Financial assets and financial liabilities are recognised in the Company's balance sheet when the Company

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

On subsequent recognition, a financial asset can be measured at:

i. Amortized cost;

ii. Fair Value through Other Comprehensive Income (FVOCI) or;

iii. Fair Value through Profit and Loss (FVTPL)

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

i. The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized costs using effective interest rate (EIR) method.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

i. the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and

ii. The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

By default, all other financial assets are measured subsequently at fair value through profit or loss(FVTPL).

The Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, ‘principal’ is defined as the fair value of the financial asset on initial recognition. ‘Interest’ is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

i. contingent events that would change the amount or timing of cash flows

ii. terms that may adjust the contractual coupon rate, including variable interest rate features

iii. prepayment and extension features; and

iv. terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features)

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Foreign exchange gains and losses

The carrying amount of financial assets that are denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period. Specifically:

i. for financial assets measured at amortised cost that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item;

ii. for debt instruments measured at FVTOCI that are not part of a designated hedging relationship, exchange differences on the amortised cost of the debt instrument are recognised in profit or loss in the 'other income' line item. As the foreign currency element recognised in profit or loss is the same as if it was measured at amortised cost, the residual foreign currency element based on the translation of the carrying amount (at fair value) is recognised in other comprehensive income in a separate component of equity;

iii. for financial assets measured at FVTPL that are not part of a designated hedging relationship, exchange differences are recognised in profit or loss in the 'other income' line item as part of the fair value gain or loss; and

iv. for equity instruments measured at FVTOCI, exchange differences are recognised in other comprehensive income in a separate component of equity.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, financial guarantee contracts and certain other financial assets measured at amortised cost such as deferred consideration receivable on disposable of subsidiaries. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company always recognises lifetime expected credit losses (ECL) for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk of the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument at the reporting date with the risk of a default occurring on the financial instrument at the date of initial recognition. In making this assessment, the company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort. Forward-looking information considered includes the future prospects of the industries in which the Company's debtors operate, obtained from economic expert reports, financial analysts, governmental bodies, relevant think-tanks and other similar organisations, as well as consideration of various external sources of actual and forecast economic information that relate to the Company's core operations.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

i. an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;

ii. significant deterioration in external market indicators of credit risk for a particular financial instrument,

iii. existing or forecast of adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;

iv. an actual or expected significant deterioration in the operating results of the later;

v. significant increases in credit risk on other financial instruments of the same debtor; And

vi. an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet it's debt obligations.

Despite the foregoing, the Company assumes the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

i. the financial instrument has a low risk of default;

ii. the debtor has a strong capacity to meet its contractual cash flow obligations in the near term; and

iii. adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of Default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

i. When there is a breach of financial covenants by the debtor; or

ii. Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full.

Irrespective of the above analysis, the Company consider the default is occurred when a financial asset is more than 180 days past due.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

i. significant financial difficulty of the issuer or the borrower;

ii. a breach of contract, such as a default or past due event;

iii. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;

iv. It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation: or

v. The disappearance of an active market for that financial asset because of financial difficulties.

(iv) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date. For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

If the Company has measured the loss allowance for the financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which the simplified approach was used.

The Company recognises an impairment gain or loss in profit or loss for all financial instruments with the corresponding adjustment to the carrying amount through a loss allowance account.

(v) Derecognition of Financial Assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises the collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the assets carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. In addition, on the derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is reclassified to profit or loss. In contrast, on the derecognition of an investment in an equity instrument which the Company has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in a separate component of equity is not reclassified to profit or loss, but is transferred to retained earnings.

s. Financial Liabilities and Equity

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual agreements and the definitions of a financial liability and an equity instrument.

Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net or direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for the derecognition or when the continuing involvement approach applies are measured in accordance with the specific accounting policies set out below.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration of an acquirer in a business combination, (ii) held for trading or (iii) it is designated as at FVTPL.

Or financial liabilities classified as held for trading if:

i. it has been acquired principally for the purpose of repurchasing it in the near term; or

ii. on initial recognition it is part of a portfolio of identified financial instruments that the company manages together and has a recent actual pattern of short-term profit-taking; or

iii. it is a derivative, except for a derivative that is financial guarantee contract or designated an effective hedging instrument.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not forming part of a designated hedging relationship. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'other income' line item in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of the liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognized in other comprehensive income are recognized in retained earnings.

Financial Liabilities are subsequently measured at amortised cost.

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Foreign Exchange gains or losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instrument. These foreign exchange gains and losses are recognised in the

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

'other income' line item in profit or loss for financial liabilities that are not part of a designated hedging relationship. For those which are designated as a hedging instrument for a hedge of foreign currency risk, foreign action gains and losses are recognised in other comprehensive income and accumulated in a separate component of equity.

The fair value of financial liabilities denominated in foreign currency is determined in that foreign currency and translated at the spot rate at the end of the reporting period. For financial liabilities that are measured as at FVTPL, the foreign exchange component forms part of the fair value gains or losses and is recognised in profit or loss for financial liabilities that are not part of a designated hedging relationship.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. the difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

When the Company exchanges with the existing lender one debt instrument into another one with substantially different terms, such exchanges accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, the Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 percent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in profit or loss as the modification gain or loss within 'other income'.

Derivative Financial Instruments-

The Company holds derivative financial instruments such as foreign exchange forward contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met. The Company does not use derivative financial instruments for speculative purposes. The counterparty to the Company's foreign currency forward contracts is generally a bank.

Derivatives not designated as hedges are recognized initially at fair value and attributable transaction costs are recognized in the statement of profit and loss, when incurred. Subsequent to initial recognition, these derivatives are measured at fair value through profit or loss and the resulting exchange gains or losses are included in other income. Assets/ liabilities in this category are presented as derivative contract assets/derivative contract liabilities if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

t. Measurement of fair value

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or the liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

A number of accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The company has an established control framework with respect to measurement of fair values.

Fair values are categorized into different levels in fair value hierarchy based on inputs used in the valuation techniques as follows:

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

i. Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities

ii. Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices).

iii. Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

u. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Warranties

Provisions of the expected cost of warranty obligations under local sale of goods legislation are recognised at the date of sale of the relevant products, at the director's best estimate of the expenditure required to settle the Company's obligation.

Onerous Contracts

Present obligations arising under onerous contracts are recognised and measured as provisions. An onerous contract is considered to exist where the company has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

Restoration Provisions

Provisions for the costs to restore leased plant assets to their original condition, as required by the terms and conditions of the lease, are recognised when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the director's is best estimate of the expenditure that would be required to restore the assets.

Contingent Liabilities

A contingent liability is disclosed in respect of a possible obligation that arise from past events whose existence will be confirmed only on the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or from a present obligation that arises from past events which are not recognised because:

i. it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or

ii. the amount of the obligation cannot be measured with sufficient reliability.

Contingent Assets

Contingent assets are not recognised but only disclosed when an estimate of the financial effect thereof can be measured. Contingent assets are

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

possible assets that arise from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within control of the Company.

v. Non-Current assets held for sale:

Non-current assets and disposal group are classified under 'Held for Sale' if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of 'Held for Sale' is met when the non-current assets is available for immediate sale and the same is highly probable of being completed within one year from the date of classification under 'Held for Sale'. Non-current assets held for sale are measured at the lower of carrying amount and fair value less cost to sell. Non-current assets those ceases to be classified under 'Held for Sale' shall be measured at the lower of carrying amount before the non-current asset and disposal group was classified under 'Held for Sale' adjusted for any depreciation / amortization and its recoverable amount at the date when the disposal group no longer meets the 'Held for Sale' criteria.

w. Earnings per share

Basic EPS is computed by dividing the net profit attributable to shareholders by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti-dilutive.

x. Dividend

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

y. Other matters

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

4. CRITICAL ACCOUNTING JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In applying the Company's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognised and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and after considering the impact of macroeconomic factors including geo-political factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision effects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the Company's accounting policies

The following are the critical judgments, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in financial statements.

i. Business model assessment

Classification and measurement of financial assets depend on the results of the SPPI (Sole Payment of Principal and Interest) and the business model test. The Company determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the asset is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Company monitors financial assets measured at amortised cost or fair value

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Company's continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate, whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

ii. Significant increase in credit risk

ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. Ind AS 109 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased, the Company takes into account qualitative and quantitative reasonable and supportable forward-looking information.

Key sources of estimation uncertainty:

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

i. Taxation Provisions

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. The Company's Current tax provision relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with the income tax authorities. Uncertain tax items for which a provision is taken relates principally to the interpretation of tax legislation regarding arrangements entered into by the Company. Due to the uncertainty associated with such tax items, there is a possibility that, on conclusion of open tax matters at a future rate, the final outcome may differ significantly.

ii. Calculation of Loss Allowance

When measuring ECL the Company uses reasonable and supportable forward- looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other. Expected credit loss model is used to arrive at the loss allowances. Expected loss rates are based on average computed default rate based on historical analysis of trade receivables.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collaterals and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

iii. Discount rate used to determine the carrying amount of the Company's defined benefit obligation

The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any plan assets is deducted. Information about assumptions and estimation uncertainties in respect of defined benefit obligation are disclosed in note 37.

The determination of the Company's defined benefit obligation depends on certain assumptions, which includes selection of the discount rate. The discount rate is set by reference to market yields at the end of the reporting period on market yields by reference to government bonds. This assumption is considered to be a key source of estimation uncertainty as relatively small change in the assumption used may have a significant effect on the Company's financial statements within the next year. Further information on the carrying amount of the company's defined benefit obligation and the sensitivity of those

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

amounts to changes in discount rate are provided in note 37.

iv. **Non-current assets held for sale**

Assets held for sale are measured at the lower of carrying amount or fair value less costs to sell. The determination of fair value less costs to sell includes use of the Management's estimates and assumptions. The fair value of the assets held for sale has been estimated using valuation techniques (including -market approach) which include unobservable inputs.

v. **Warranty Provision**

A provision is estimated for expected warranty claims in respect of products sold during the year on the basis of past experience regarding failure trends of products and costs of rectification or replacement.

vi. **Impairment testing**

Goodwill is tested for impairment on an annual basis and whenever there is an indication that the recoverable amount of a cash generating unit is less than its carrying amount based on a number of factors including operating results, business plans, future cash flows and economic conditions. The recoverable amount of cash generating units is determined based on higher of value-in-use and fair value less cost to sell. The goodwill impairment test is performed at the level of the cash-generating unit. Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections consider past experience and represent management's best estimate about future developments.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

5 PROPERTY, PLANT AND EQUIPMENT

Reconciliation of carrying amount

(₹ in Lakhs)

Particulars	Building	Plant and equipment	Vehicles	Computers	Office equipment	Furniture and fixtures	Total
Gross Block							
Balance as at 1 April 2022	**625.40**	**5,283.07**	**8.19**	**145.82**	**71.49**	**133.13**	**6,267.10**
Additions	1,348.77	898.29	-	8.76	9.64	59.23	**2,324.69**
Disposals	-	(45.67)	-	-	-	-	**(45.67)**
Balance as at 31 March 2023	**1,974.17**	**6,135.69**	**8.19**	**154.58**	**81.13**	**192.36**	**8,546.12**
Balance as at 1 April 2023	**1,974.17**	**6,135.69**	**8.19**	**154.58**	**81.13**	**192.36**	**8,546.12**
Additions	527.15	902.99	20.87	12.84	35.61	54.44	**1,553.90**
Disposals	(34.04)	(394.21)	(0.90)	-	(0.74)	(2.00)	**(431.89)**
Balance as at 31 March 2024	**2,467.29**	**6,644.46**	**28.15**	**167.42**	**116.00**	**244.80**	**9,668.12**
Accumulated depreciation							
Balance as at 1 April 2022	**111.79**	**2,286.60**	**0.99**	**127.01**	**54.97**	**63.27**	**2,644.63**
Charge for the year	64.89	632.57	1.03	14.47	9.97	43.70	**766.63**
Eliminated on disposals	-	(33.57)	-	-	-	-	**(33.57)**
Balance as at 31 March 2023	**176.68**	**2,885.60**	**2.02**	**141.48**	**64.94**	**106.97**	**3,377.69**
Balance as at 1 April 2023	**176.68**	**2,885.60**	**2.02**	**141.48**	**64.94**	**106.97**	**3,377.69**
Charge for the year	79.78	659.17	1.69	10.55	11.89	37.93	**801.01**
Eliminated on disposals	(21.43)	(356.78)	(0.80)	-	(0.74)	(2.00)	**(381.74)**
Balance as at 31 March 2024	**235.03**	**3,187.99**	**2.91**	**152.03**	**76.09**	**142.91**	**3,796.96**
Carrying amounts (net)							
Balance as at 31 March 2023	**1,797.49**	**3,250.09**	**6.17**	**13.10**	**16.19**	**85.39**	**5,168.43**
Balance as at 31 March 2024	**2,232.25**	**3,456.48**	**25.24**	**15.39**	**39.91**	**101.88**	**5,871.15**

Capital Work in Progress

Particulars	Total
Balance as at 1 April 2022	**1,470.86**
Additions	239.30
Transfer to property, plant and equipment	1,570.27
Balance as at 31st March 2023	**139.89**
Balance as at 1 April 2023	**139.89**
Additions	42.06
Transfer to property, plant and equipment	167.09
Balance as at 31 March 2024	**14.86**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

CWIP ageing schedule

As at 31 March 2024	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	14.86				14.86
Projects temporarily suspended	-	-	-	-	-
Total	**14.86**	**-**	**-**	**-**	**14.86**
As at 31 March 2023	**< 1 year**	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress	138.34	1.56	-	-	139.90
Projects temporarily suspended	-	-	-	-	-
Total	**138.34**	**1.56**	**-**	**-**	**139.90**

For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

	< 1 year	**1-2 years**	**2-3 years**	**> 3 years**	**Total**
Projects in progress (FY 23-24)	-	-	-	-	-
Projects in progress (FY 22-23)	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**

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Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

6 LEASE

a. Lease liabilities

i. The following is the break-up of current and non-current lease liabilities as at March 31, 2024 and March 31, 2023:

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Lease liabilities		
Current	30.44	-
Non-current	103.67	-
Total Lease liabilities	**134.12**	**-**

ii. The movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023 is as follows :

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Balance at the beginning of the year	-	-
Additions during the year	161.81	-
Add: Finance costs	14.19	-
Less: Payment of lease liability during the year	(41.88)	-
Balance at the end of the year	**134.12**	**-**

The Company's lease assets primarily consist of leases for land and material handling equipments.Finance cost accrued during the year is included under Finance costs in the Statement of Profit and Loss.

iii. The details regarding the contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

(₹ in Lakhs)

Maturity analysis - undiscounted lease payment	As at 31 March, 2024	As at 31 March, 2023
2024-25	41.88	-
2025-26	41.88	-
2026-27	41.88	-
2027-28	34.90	-
Total Undiscounted lease payment	**160.54**	**-**

b. Right-of-use assets

Reconciliation of Carrying Amount

(₹ in Lakhs)

	Vehicles	Land
Cost		
Balance as at 1 April 2022	**-**	**16.84**
Additions	-	-
Balance as at 31 March 2023	**-**	**16.84**
Balance as at 1 April 2023	**-**	**16.84**
Additions	161.81	-

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

	Vehicles	Land
Balance as at 31 March 2023	**161.81**	**16.84**
Accumulated Depreciation		
Balance as at 1 April 2022	**-**	**6.67**
Charge for the year	-	0.17
Balance as at 31 March 2023	**-**	**6.50**
Balance as at 1 April 2023	**-**	**6.50**
Charge for the year	33.48	0.17
Balance as at 31 March 2023	**33.48**	**13.17**
Carring Amounts (Net)		
Balance as at 31 March 2023	**-**	**10.68**
Balance as at 31 March 2024	**128.33**	**10.51**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the Consolidated Statement of Profit and loss.

c. Amount Recognised in profit and loss

	2023-24	2022-23
Depreciation Expense on right-of-use assets	33.65	0.17
Interest Expense on Lease Liabilities	14.19	-

The total cash outflow for the leases amounted to ₹ 41.88 Lakhs

7 OTHER INTANGIBLE ASSETS

Reconciliation of carrying amount

(₹ in Lakhs)

Particulars	Software	Total
Gross Block		
Balance as at 1 April 2022	**82.87**	**82.87**
Additions from separate acquisitions	15.00	15.00
Balance as at 31 March 2023	**97.87**	**97.87**
Balance as at 1 April 2023	**97.87**	**97.87**
Additions from separate acquisitions	-	-
Balance as at 31 March 2024	**97.87**	**97.87**
Accumulated amortization		
Balance as at 1 April 2022	**67.03**	**67.03**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	Software	Total
Charge for the year	8.58	8.58
Balance as at 31 March 2023	**75.61**	**75.61**
Balance as at 1 April 2023	**75.61**	**75.61**
Charge for the year	9.99	9.99
Balance as at 31 March 2024	**85.60**	**85.60**
Carrying amounts (net)		
Balance as at 31 March 2023	**22.26**	**22.26**
Balance as at 31 March 2024	**12.27**	**12.27**

8 OTHER FINANCIAL ASSETS - NON CURRENT

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Other financial assets (Unsecured, considered good)		
Security deposits	60.29	45.62
Bank deposits with more than 12 months maturity	1.09	1.00
	61.38	**46.62**

[* Includes ₹ 1.09 lakhs (2023 - ₹ 1 lakhs) which is pledged against the guarantee given by axis bank to Maharashtra Pollution Control Board]

9 INCOME TAX (INCLUDING DEFERRED TAX)

A] Amounts recognised in profit and loss

(₹ in Lakhs)

		Year ended 31 March, 2024	Year ended 31 March, 2023
(a)	**Current tax expense**		
	Current tax		
	Current tax on the profit for the year	997.28	610.38
	Adjustment of current tax of prior periods	(14.93)	-
	Total current tax expense	**982.36**	**610.38**
(b)	**Deferred tax**		
	Attributable to -		
	Origination and reversal of temporary differences	(52.03)	9.83
		(52.03)	**9.83**
	Tax expense (a+b)	**930.33**	**620.21**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

B] Amounts recognised in other comprehensive income

	For the year ended 31st March, 2024		
	Before tax	Tax (expense)/ credit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans (₹ Lakhs)	(37.07)	9.33	(27.74)

	For the year ended 31st March, 2023		
	Before tax	Tax (expense)/ credit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements gains/(losses) on defined benefit plans (₹ Lakhs)	4.99	(1.00)	3.99

C Reconciliation of effective tax rate

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Profit before tax	3,278.91	2,232.15
Enacted tax rate	25.17%	25.17%
Income tax expense calculated at 25.17% (2023: 25.17%)	825.30	561.83
Effect of expenses allowed / disallowed for tax purpose and others	119.96	58.38
Permanent allowance on APA adjustment	92.17	16.08
CSR expenditure	10.95	15.78
Others (includes MSME interest)	16.85	26.52
	945.26	**620.21**
Effect of income taxes related to earlier periods	(14.93)	-
Effect of differential tax rate	-	-
	930.33	**620.21**
Income tax expense recognised in statement of profit and loss	**930.33**	**620.21**

D Recognised deferred tax assets and liabilities

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Deferred tax assets/(liabilities)		
Provision for doubtful debts	-	-
Provision for employee benefits	22.65	35.67
Provision for others (includes provision for warranty and bonus)	159.95	87.51
Property, plant and equipment	(-)32.92	(34.86)
	149.68	**88.32**

E Movement in deferred tax balances

(₹ in Lakhs)

	Net balance 1 April, 2023	Recognised in profit or loss	Recognized in OCI	31 March, 2024 Net
Deferred tax assets / (liabilities)				
Provision for doubtful debts	0.00	-	-	-
Provision for employee benefits	35.67	22.35	9.33	22.65
Provision for others - Disallowances under the Income Tax Act, 1961	87.51	72.44	-	159.95
Property, plant and equipment	(34.86)	1.94	-	(-)32.92
Net Deferred tax assets	**88.32**	**52.02**	**9.33**	**149.68**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

	Net balance 1 April, 2022	Recognised in profit or loss	Recognized in OCI	31 March, 2023 Net
Deferred tax assets / (liabilities)				
Provision for doubtful debts	2.51	(2.51)	-	-
Provision for employee benefits	37.95	(1.28)	(1.00)	35.67
Provision for others - Disallowances under the income tax Act, 1961	12.18	75.33	-	87.51
Property, plant and equipment	45.52	(80.37)	-	(34.86)
Net Deferred tax assets	**98.16**	**(8.83)**	**(1.00)**	**88.32**

10 OTHER NON CURRENT ASSETS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Capital advances (Unsecured, Considered good)	201.86	25.10
	201.86	**25.10**

11 INVENTORIES

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Raw materials and packing materials [including goods in transit ₹ 206.00 lakhs (2023 : ₹ 198.85 lakhs)]	629.27	797.83
Finished goods [including goods in transit ₹ NIL (2023: ₹ NIL)]	920.13	661.53
Work-in-progress	440.09	764.50
Stores and spares	77.96	103.23
Stock in trade	7.43	13.31
	2,074.88	**2,340.40**

The cost of inventories recognized as an expense includes ₹ 6.87 lakhs (2023: ₹ NIL lakhs) in respect of write-downs of inventory to net realizable value.

12 TRADE RECEIVABLES

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
(a) Considered good - unsecured	2,671.36	2,706.76
(b) Trade receivables - credit impaired	2.04	-
Less: Loss allowance	(2.04)	-
Net trade receivables	**2,671.36**	**2,706.76**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

The average credit period on sales of goods is 45 - 60 days. Interest is charged below 30 days @12% and above 30 days @15% on overdue receivables from dealer, however no interest is charged on outstanding trade receivables (Other than dealer).

The Company always measures the loss allowance for trade receivables at an amount equal to lifetime expected credit loss. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor's current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate, and an assessment of both the current as well as the forecast direction of conditions at the reporting date. Outstanding customer receivables are reviewed periodically. Provision is made based on expected credit loss method or specific identification method.

The Company writes off a trade receivable when there is information indicating that the debtor is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the debtor has been placed under liquidation or has entered into bankruptcy proceedings, or when the trade receivables are over 180 days past due, whichever occurs earlier. None of the trade receivables are subject to enforcement activities.

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Movement in the allowance for expected credit loss/credit impaired		
Opening balance	-	9.94
Movement in the expected credit loss/ allowance for credit impaired	2.04	(9.94)
Amounts recovered during the year	-	-
Balance at the end of the year	**2.04**	**-**

Ageing schedule for trade receivables

As at 31 March 2024	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables							
Considered good	2,166.10	503.72	1.54	-	-	-	2,671.36
Credit impaired	-	2.04	-	-	-	-	2.04
	2,166.10	**505.76**	**1.54**	**-**	**-**	**-**	**2,673.40**
Less : Loss allowance	-	2.04	-				2.04
	2,166.10	**503.72**	**1.54**	**-**	**-**	**-**	**2,671.36**

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment					Total
		< 6 months	6 months -1 year	1-2 years	2-3 years	> 3 years	
Undisputed trade receivables							
Considered good	2,280.39	337.18	89.19	-	-	-	2,706.76
Credit impaired	-	-	-	-	-	-	-
	2,280.39	**337.18**	**89.19**	**-**	**-**	**-**	**2,706.76**
Less : Loss allowance	-	-	-	-	-	-	-
	2,280.39	**337.18**	**89.19**	**-**	**-**	**-**	**2,706.76**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Relationship with struck off companies

Name of struck off company	Nature of transaction	Transactions during the year ended		Balance outstanding as at		Relationship with the struck off company
		31-Mar-24	31-Mar-23	31-Mar-24	31-Mar-23	
None	-	-	-	-	-	-

13 CASH AND CASH EQUIVALENTS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Cash on hand	-	0.13
Bank balances		
- In current accounts	2,482.59	2,341.91
- Fixed deposits (up to 3 months original maturity from deposit date)	1,618.35	1,612.72
- Export Earner's Foreign Currency account (EEFC)	835.69	559.41
	4,936.62	**4,514.17**

14 OTHER BALANCES WITH BANKS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Bank Balance in current accounts (unspent CSR)	0.50	0.50
Unpaid dividend accounts	63.07	52.44
	63.57	**52.94**

15 LOANS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Loans to employees (Unsecured, considered good)	5.43	10.82
	5.43	**10.82**

16 OTHER FINANCIAL ASSETS - CURRENT

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Other financial assets (Unsecured, considered good)		
Other receivables	6.00	-
Interest accrued on bank deposits	9.46	7.96
	15.46	**7.96**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

17 OTHER CURRENT ASSETS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Advances to suppliers	65.93	175.31
Prepayments	21.47	6.14
CSR Pre-spend A/c (refer note 29 ii))	35.28	-
Balances with Government Authorities#	262.24	160.63
Export benefits receivable	68.28	58.58
	453.20	**400.66**

Includes balances receivable for Goods and Service Tax (GST) ₹ 120.28 Lakhs (2023 ₹ 61 lakhs)

18 EQUITY SHARE CAPITAL

(₹ in Lakhs, except share data)

	As at 31 March, 2024	As at 31 March, 2023
Authorized capital :		
10,900,000 equity shares of ₹ 5 each	545.00	545.00
Issued, subscribed and paid-up		
5,600,000 equity shares of ₹ 5 each fully paid-up	280.00	280.00

(a) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 5 per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance. The Company is not subject to any externally imposed capital requirements.

(b) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

(₹ in Lakhs, except share data)

	As at 31 March, 2024	As at 31 March, 2023
Equity shares		
At the commencement and at the end of the year	56,00,000	56,00,000

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(c) Shares held by holding/ultimate holding company and/or their subsidiaries

	As at 31 March, 2024	As at 31 March, 2023
Name of the shareholder		
Morganite Crucible Limited, subsidiary of the ultimate holding company	21,56,000	21,56,000
Morgan Terreassen BV, subsidiary of the ultimate holding company	20,44,000	20,44,000

(d) Details of shareholders holding more than 5% shares in the company

	As at 31 March, 2024		As at 31 March, 2023	
	Number of shares	% holding in the class	Number of shares	% holding in the class
Fully paid-up equity shares				
Morganite Crucible Limited	21,56,000	38.50%	21,56,000	38.50%
Morgan Terreassen BV	20,44,000	36.50%	20,44,000	36.50%

19 OTHER EQUITY

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
a. Retained earnings		
Items of other comprehensive income		
At the commencement of the year	(52.80)	(56.79)
Remeasurement of employee benefit obligations during the period (net of tax)	(27.74)	3.99
At the end of the year	**(80.54)**	**(52.80)**
Items other than other comprehensive income		
At the commencement of the year	11,516.33	11,080.38
Profit attributable to shareholders	2,348.59	1,611.95
Dividend paid	(2,184.00)	(1,176.00)
Dividend distribution tax on above	-	-
At the end of the year	**11,680.92**	**11,516.33**
Total retained earning at the end of the year	**11,600.38**	**11,463.53**

The amount that can be distributed as dividend by the company to its equity shareholders is determined based on the separate financial statements of the company and considering the requirements of the Companies Act, 2013. Thus, the amounts reported above are not distributable in entirety.

On 1 September 2023, the final dividend paid for FY 2023-24 was ₹ 11/- per share (total dividend ₹ 616 lakhs). On 9 November 2023, an interim dividend for FY 2023-24 of ₹ 28/- per share (total dividend ₹ 1568 lakhs) was paid to holders of fully paid equity shares.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

In respect of the current year, the directors proposed that a dividend of Rs. 12 per share be paid on equity shares. The equity dividend is subject to approval by shareholders at the annual general meeting and has not been included as a liability in these financial statements. The total estimated equity dividend to be paid is Rs. 672 Lakhs.

(₹ in Lakhs)

		As at 31 March, 2024	As at 31 March, 2023
b.	**General reserve**		
	At the commencement and end of the year	525.49	525.49
c.	**Securities premium**		
	At the commencement and end of the year	350.00	350.00
d.	**Capital reserves**		
	At the commencement and end of the year	67.65	67.65
e.	**Capital profit on forfeited shares**		
	At the commencement and end of the year	0.04	0.04
f.	**Statutory reserve**		
	At the commencement and end of the year	8.70	8.70
	Total other equity	**12,552.26**	**12,415.41**

Nature of Reserves -

a) **General reserve :** The General reserve comprises of transfer of profits from retained earnings for appropriation purposes. The reserve can be distributed/utilized by the Company in accordance with the Companies Act, 2013.

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

b) **Securities premium :** The Securities premium is created on issue of shares at a premium.

c) **Capital reserve :** Capital reserve comprises of receipt of Central Government investment subsidy under '1993 package scheme of incentives', State government investment subsidy under '1983 package scheme of incentives and capital reserve arising on amalgamation of Diamond Crucible Company Limited.

d) **Capital profit on forfeited shares -** The capital profit on forfeited shares comprises of profit on re-issue of forfeited shares.

e) **Statutory Reserve :** The statutory reserves comprises of the Investment allowance reserve created under the Income tax Act, 1961.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

20 TRADE PAYABLES

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
- dues of micro and small enterprises (refer note 33)	358.23	258.36
- dues of creditors other than micro and small enterprises	2,951.72	2,500.67
	3,309.95	**2,759.03**

Trade payables principally comprise amounts outstanding for trade purchases. The average credit period taken for trade purchases is 30-45 days. For most suppliers, no interest is charged on the trade payables for the outstanding balances. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

Ageing schedule for trade payables

As at 31 March 2024	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	247.90	110.17	0.16	-	-	358.23
(ii) Others	1,427.10	1,382.06	142.26	0.30	-	2,951.72
	1,675.00	**1,492.23**	**142.42**	**0.30**	**-**	**3,309.95**

As at 31 March 2023	Not due	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables						
(i) Micro and small enterprises	162.23	96.13				258.36
(ii) Others	1,666.65	822.70	11.32	-	-	2,500.67
	1,828.88	**918.83**	**11.32**	**-**	**-**	**2,759.03**

21 OTHER FINANCIAL LIABILITIES

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Capital creditors	135.95	67.38
Deposits from dealers	2.77	2.77
Unpaid dividend	63.07	52.44
	201.79	**122.59**

22 OTHER CURRENT LIABILITIES

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Advances from customers	222.29	104.65
Statutory dues (includes payable on account of Provident Fund, TDS, ESIC etc.)	144.94	83.45
	367.23	**188.10**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

23 CURRENT PROVISIONS

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Provision for employee benefits		
Compensated absences	36.10	85.61
Gratuity (refer note 37)	51.04	56.10
Total provisions for employee benefits (A)	**87.14**	**141.71**
Other provisions		
Provision for warranties	167.86	195.58
VRS liability (refer note 39)	321.08	-
Provision for corporate social responsibility	-	-
Total other provisions (B)	**488.94**	**195.58**
Total provision (A+B)	**576.08**	**337.29**

Movement in other provisions during the year	As at 31st March, 2024		
	Provision for Voluntary retirement scheme	Provision for corporate social responsibility	Provision for warranties
Balance at 1 April 2022	-	8.59	207.69
Provisions made during the year	-	-	15.58
Provisions utilized during the year	-	-	-
Provisions reversed during the year	-	(8.59)	(60.12)
Balance at 31 March 2023	**-**	**-**	**163.15**
Balance at 1 April 2023	-	-	163.15
Provisions made during the year	321.08	49.61	121.66
Provisions utilized during the year	-	(49.61)	(77.30)
Provisions reversed during the year	-	-	(39.65)
Balance at 31 Mar 2024	**321.08**	**-**	**167.86**

24 REVENUE FROM OPERATIONS

(₹ in Lakhs)

Revenue from contract with customers	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Sales of products*	16,730.49	15,395.51
Total sale of products (A)	**16,730.49**	**15,395.51**
Other operating revenue		
Sale of scrap	62.94	63.40
Total other operating revenue (B)	**62.94**	**63.40**
Total revenue from operations (A+B)	**16,793.43**	**15,458.91**

[* Net of turnover discount ₹ 31.46 lakhs (2023: ₹ 33.90 lakhs)]

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

The Company derives its revenue from contracts with customers for the transfer of goods and services at a point in time. The disclosure of revenue by product line is consistent with the revenue information that is disclosed for each reportable segment under Ind AS 108 (refer note 34).

25 OTHER INCOME

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Duty drawback on exports	127.92	117.25
Export benefits	63.87	62.63
Interest income on		
- deposits with bank	87.43	9.41
- overdue trade receivables	1.06	4.31
`- VAT / Income tax refund	14.18	16.91
Gain on account of foreign currency transactions (net)	165.70	139.63
Gain on sale of property, plant and equipment	-	8.03
Liabilities written back to the extent no longer required	-	9.94
Other non-operating income*	150.08	115.02
	610.24	**483.13**

*Other non operating income includes reimbursement of management charges and R&D charges from holding company Morgan

Advanced Materials Plc. ₹ 150.08 lakhs (2023 : ₹ 115.02 lakhs)

26 COST OF MATERIALS CONSUMED

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Inventory of materials at the beginning of the year	797.83	753.34
Purchases	6,192.26	6,948.62
Inventory of materials at the end of the year	(629.27)	(797.83)
	6,360.82	**6,904.13**

27 CHANGES IN INVENTORY OF FINISHED GOODS AND WORK IN PROGRESS

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Inventory at the beginning of the year		
Finished goods - Crucibles	661.53	674.40
Work-in-progress - Crucibles	764.50	723.72
Inventory at the end of the year		
Finished goods - Crucibles	920.13	661.53
Work-in-progress - Crucibles	440.09	764.50
Decrease/(Increase) in Inventory	**65.81**	**(27.91)**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

28 EMPLOYEE BENEFIT EXPENSES

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Salaries, wages and bonus	1,465.68	1,359.18
Contribution to provident and other funds	93.63	82.60
National pension system	17.12	12.16
Staff welfare expenses	182.69	155.97
	1,759.12	**1,609.91**

29 OTHER EXPENSES

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
Consumption of stores and spares	843.36	1,047.48
Power and fuel	225.55	210.95
Contract labour charges	602.87	648.45
Repairs to buildings	17.29	13.24
Repairs to machinery	429.88	383.00
Repairs others	53.06	46.01
Rent	20.73	24.04
Rates and taxes	3.95	1.52
Travelling and motor car expenses	56.11	48.79
Legal and professional fees	96.08	58.90
Insurance	50.20	49.15
Payment to auditors (refer note (i) below)	55.56	60.11
Sales commission	53.78	88.20
Trade Mark Charges	135.43	139.44
Management charges	1,000.55	657.78
Central Support Cost	130.36	141.08
Warranty Expense	6.62	8.75
Business development and promotional expenses	25.02	52.27
SAP training & maintenance expenses	26.54	22.84
Loss on sale / retirement of fixed assets	15.04	0.50
Freight outward	373.29	389.74
Security charges	70.94	52.98
Provision for doutful debts	2.04	9.94
Bad Debt expenses	0.95	-
Corporate Social Responsibility expenses (refer note (ii) below)	43.50	62.66
Miscellaneous expenses	302.22	198.55
	4,640.91	**4,416.37**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

i) Payment to auditors (excluding taxes)

(₹ in Lakhs)

	For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
As auditor		
Statutory Audit	28.70	34.00
Tax Audit	-	2.50
Limited review of quarterly results	11.60	10.50
Certification fees	1.00	1.00
For other services		
Audit of group reporting package	14.26	10.00
Reimbursement of expenses	-	2.11
	55.56	**60.11**

ii) CORPORATE SOCIAL RESPONSIBILITY (CSR) :

As per Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The areas for CSR activities are eradication of hunger and malnutrition, promoting education, art and culture, healthcare, destitute care and rehabilitation, environment sustainability, disaster relief and rural development projects. A CSR committee has been formed by the company as per the Act. The funds were primarily allocated to a corpus and utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Amount spent during the year on

(₹ in Lakhs)

		For the year Ended 31 March, 2024	For the year Ended 31 March, 2023
(a)	Gross amount required to be spent by the company during the year,	49.61	47.06
(b)	Amount spent during the year :		
	(i) Construction / acquisition of any asset	-	-
	(ii) On purposes other than b(i) above	84.89	67.82
(c)	Shortfall at the end of the year	-	-
(d)	Reason for shortfall	Not applicable	Not applicable
(e)	Total of previous years shortfall	Refer note (i) below	Refer note (i) below
(f)	Nature of CSR activities,	Skill development program	Skill development program
(g)	Details of related party transactions, e.g., contributation to a trust / society / section 8 company controlled by the company in relation to CSR expenditure as per Accounting Standard (Ind AS 24, Related Party Disclosures).	Not applicable	Not applicable
(h)	When the amendments to Section 135(5) and 135(6) are made applicable, then the following details in the notes should also be made:	-	-

Note (i) - Previous years shortfall of ₹ 2.50 lakhs pertains to period prior to 31 March 2022. Out of this shortfall, ₹ 0.50 lakh was deposited in specified fund of Sch VII on 05 May 2022 and was unspent as of 31 March 2024. The balance amount of ₹ 2 lakhs was deposited in the specified fund on 18 May 2024.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Note ii - (Excess)/Shorfall amount spent for the year ended

Particulars	(Excess)/Shorfall amount spent for the year ended			
	Opening balance	Amount required to spent during the year	Amount spent during the year	Closing Balance
FY 23-24	-	49.61	84.89	(35.28)
FY 22-23	-	47.06	67.82	-

Note: The excess amount of CSR spent during the current year ended 31 March 2024 amounting to ₹ 35.28 lakh is disclosed in note 17 as CSR pre spent. The CSR spent during the previous year ended 31 March 2023 was charged to statement of profit and loss account.

30 TAXATION

(i) Contingent Liabilities:

(₹ in Lakhs)

		As at 31 March, 2024	As at 31 March, 2023
-	Matters relating to income tax	-	-
-	Matters relating to excise duty, value added tax and service tax (Refer note 1) [Excluding interest on value added tax liability ₹ 71.60 lakhs (2023 : ₹ 67.81 lakhs)]	20.92	29.75
-	Other Legal Cases	6.14	-
		27.06	**29.75**

Notes:

(i) The Company is subject to legal proceedings and claims, which have arisen in the ordinary course of business. The Company's management does not reasonably expect that these legal actions, when ultimately concluded and determined, will have a material and adverse effect on the Company's results of operations or financial condition.

(ii) The Company has filed an application for renewal of the Advanced Pricing Agreement (APA) for five years (FY 2021-22 to 2025-26) on 26 March 2021. The current tax working for period ended 31 March 2024 is calculated based on the APA signed on 18th August 2021 for 5 years ended 31 March 2021.

31 COMMITMENTS:

(₹ in Lakhs)

	As at 31 March, 2024	As at 31 March, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	426.37	226.29

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

32 EARNINGS PER SHARE

(₹ in Lakhs, except share data)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
Profit before tax	3,278.91	2,232.15
Less : Tax expenses	930.32	620.20
Profit after tax (a)	2,348.59	1,611.95
Weighted average number of equity shares outstanding during the period for calculation of basic and diluted EPS (b)	56,00,000	56,00,000
Earnings per share, net of tax		
Basic (a/b)	41.94	28.78
Diluted (a/b)	41.94	28.78

33 DISCLOSURES AS PER MICRO AND SMALL ENTERPRISES DEVELOPMENT ACT, 2006 (THE 'MSMED ACT')

(₹ in Lakhs, except share data)

Particulars	Year Ended 31 March, 2024	Year Ended 31 March, 2023
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each financial year;		
a) Principal amount due to micro and small enterprises	305.74	258.36
b) Interest due on above	1.83	3.05
ii) The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each financial year;	-	-
iii) Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006;	9.26	7.27
iv) Amount of interest accrued and remaining unpaid at the end of each financial year	52.49	41.41
v) Amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006.	-	-

The information has been given in respect of such vendors to the extent they could be identified as micro and small enterprises as per the MSMED Act on the basis of information available with the Company.

34 SEGMENT REPORTING

a) Business Segments:

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 "Operating Segments" the principle business of the Company constitute a single reportable segment. Accordingly, income from sale of crucibles comprises the primary basis of segmental information set out in these financial statements.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

b) Geographical segments:

The geographical information analyses the Company's revenues and assets by the Company's country of domicile (i.e. India) and outside India presenting geographical information, segment revenue has been on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

(₹ in Lakhs)

Particulars	India	31 March, 2024					Total
		Outside India					
		Asia and Far East	Europe	Africa and Middle East	America	Others	
Revenue from external customers	8,876.89	2,074.88	2,265.81	1,947.56	1,603.08	25.21	16,793.43
Non current assets	7,200.90	-	-	-	-	-	7,200.90

(₹ in Lakhs)

Particulars	India	31 March, 2023					Total
		Outside India					
		Asia and Far East	Europe	Africa and Middle East	North America	Others	
Revenue from external customers	8,065.21	2,109.33	2,017.36	1,075.72	2,030.47	160.82	15,458.91
Non current assets	6,076.23	-	-	-	-	-	6,076.23

35 RELATED PARTY DISCLOSURES

A. Names of related parties

a. Parties (where controls exists)

Morgan Advanced Materials Plc - Ultimate Holding Company

b. Enterprise exercising significant influence

Morganite Crucible Limited (holds 38.50% of issues, subscribed and paid up capital)

Morgan Terreassen BV (holds 36.50% of issues, subscribed and paid up capital)

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

c. Other related parties with whom transactions have taken place during the year

i	Fellow subsidiary companies	Morganite Crucible Inc.
		Mkgs. Morgan Karbon Grafit
		Morgan Molten Metal System (Suzhou) Company Limited
		Morgan Molten Metal System GmbH
		Morganite Brazil Ltda.
		Grupo industrial Morgan, S.A. de C.
		Morganite Carbon Kabushiki Kaisha
		Murugappa Morgan Thermal Ceramics Ltd
		Morgan Advanced Materials India Pvt. Ltd.
		Morgan AM & T B.V. Netherlands
		Thermal Ceramics Limited, UK
		Molten Ceramics Asia Pte Ltd.
		Morgan Advanced Materials (Taiwan) Co.
		Morgan Advanced Material Industries Limited (Middle East)
		Ciria India Limited
ii	Key Management Personnel	Mr. Aniruddha Karve - Non - Executive Director
		Mr. Mukund Bhogale -Non-Executive Independent Director**
		Ms. Maithilee Tambolkar -Non-Executive Independent Director**
		Mr. Jonathan Richard Percival - Director
		Mr. Ulhas Narayan Gaoli -Non-Executive Independent Director**
		Mr. Nitin Ramesh Sonawane - Director
		Mr. Hanumant Mandale - Chief Financial Officer
		Ms. Pooja Jindal - Company Secretary (from 20 November 2023)
		Mr. Rupesh Khokle (left 31 August 2023)

Details of Remuneration paid and amount outstanding as at 31 March 2024 to above mentioned Key Managerial Personnel

(₹ in Lakhs)

Name of the person	Remuneration paid*	
	31 March 2024	31 March 2023
Mr. Hanumant Mandale	55.95	53.23
Mr. Rupesh Khokle (left 31 August 2023)	15.06	18.81
Mr. Nitin Sonawane (Wef. 12 August 2022)	36.68	21.18
Mrs. Pooja Jindal (Wef. 20 November 2023)	4.60	-

The Remuneration for directors and key executive is determine by the remuneration committee having regard to the performance of individuals and markets trends.

*Remuneration excludes provision for employee benefits as separate actuarial valuation for the directors, key management personnel is not available.

**The Company has paid sitting fees amounting to ₹ 4.00 lakhs (2023 : ₹ 3.00 lakhs) to non executive independent directors.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

35 RELATED PARTY DISCLOSURES (Continued)

Related party transactions for the year ended 31 March 2024

(₹ in Lakhs)

Particulars	Ultimate Holding Company	Enterprise exercising significant influence		Fellow Subsidiaries																		
	Morgan Advanced Materials Plc	Morganite Crucible Limited	Morgan Terrassen BV	Morganite Crucible Inc.	Morgan Molten Metal System GMBH	Morgan Molten Metal System (Suzhou) Company Limited	Morganite Brasil Ltda.	Mkgs. Morgan Karbon Grafit	Thermal Ceramics Limited, UK	Grupo industrial Morgan, S.A. de C.	Murugappa Morgan Thermal Ceramics Limited	Morganite Carbon Kabushiki Kaisha	Furnace Industries	Molten Ceramics Asia Pte. Ltd.	Morgan Advanced Materials India Private Limited	Morgan Advanced Material Industries Limited (Middle East)	Dalian Morgan Refractories Ltd	Morgan International Trading (Shanghai) Co. Ltd	MORGAN AM&T HONG KONG CO. LTD.	Morgan AM & T B.V. Netherlands	Thermal Ceramics USA	Ciria India Limited
Income																						
Sale of finished goods ,raw materials	-	-	-	1,206.96	963.91	236.56	25.09	28.64	-	49.86	0.03	113.64	-	-	-	-	-	-	0.18	-	-	-
Reimbursement of expenses	150.08	-	-	-	30.49	27.86	-	-	-	-	-	-	-	-	50.01	-	-	-	-	-	-	-
Other Support	12.23																					
Sale of fixed asset																					-	-
Expenditure																						
Purchase of raw materials (including goods in transit)					0.46				1.37									14.35			-	-
Purchases of stock in trade					11.11	25.43												0.75			-	-
Purchases of spares / consumables						47.44					20.17										-	-
Capital Goods purchase (including taxes)																					-	-
Management charges	979.13																				-	-
Trademark Charges	135.43																				-	-
Other Support Expenses	-				1.07	2.45					1.78				138.54						-	-
Other																						
Dividend paid		840.84	797.16																		-	-
Outstanding Balances:																						
Receivables	150.08			291.97	245.46	28.70		4.16		5.83					13.85						-	-
Payables	937.78	-	-	-	12.87	20.35	-	-	0.89	-	-	-	-	-	140.78	-	-	7.45		-	-	-

Notes to financial statements
FOR THE YEAR ENDED MARCH 31, 2024

Related party transactions for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Ultimate Holding Company	Enterprise exercising significant influence		Fellow Subsidiaries																		
	Morgan Advanced Materials Plc	Morganite Crucible Limited	Morgan Terrassen BV	Morganite Crucible Inc.	Morgan Molten Metal System GMBH	Morgan Molten Metal System (Suzhou) Company Limited	Morganite Brasil Ltda.	Mkgs. Morgan Karbon Grafit	Thermal Ceramics Limited, UK	Grupo industrial Morgan, S.A. de C.	Murugappa Morgan Thermal Ceramics Limited	Morganite Carbon Kabushiki Kaisha	Furnace Industries	Molten Ceramics Asia Pte. Ltd.	Morgan Advanced Materials India Private Limited	Morgan Advanced Material Industries Limited (Middle East)	Dalian Morgan Refractories Ltd	Morgan International Trading (Shanghai) Co. Ltd	MORGAN AM&T HONG KONG CO. LTD.	Morgan AM & T B.V. Netherlands	Thermal Ceramics USA	Ciria India Limited
Income																						
Sale of finished goods ,raw materials				1,129.99	755.58	154.96	37.85	12.16		14.45		119.25									-	-
Reimbursement of expenses	115.02				13.85	13.14									45.55						-	-
Sale of fixed asset																					-	-
Expenditure																						
Purchase of raw materials (including goods in transit)					0.36				1.37												-	-
Purchases of stock in trade						46.71															-	-
Purchases of spares / consumables											4.25										-	-
Capital Goods purchase (including taxes)											77.64										-	-
Management charges	658.38																				-	-
Trademark Charges	136.36																				-	-
Other Support Expenses				0.10	6.05	2.80					3.38				159.85						-	-
Other																						
Dividend paid		194.04	183.96																		-	-
Outstanding Balances:																						
Receivables	115.02			270.95	182.20	111.84	16.57					26.25			13.44						-	-
Payables	451.18				7.69	30.88			4.07						153.20						-	-

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

36. FINANCIAL INSTRUMENT - FAIR VALUES AND RISK MANAGEMENT

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

31 MARCH 2024 (₹ in Lakhs)

	Note	Amortized Cost	Financial assets / liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets not measured at fair value*						
Trade receivables	12	2,671.36	-	-	2,671.36	2,671.36
Cash and cash equivalents	13	4,936.62	-	-	4,936.62	4,936.62
Other bank balances	14	63.57	-	-	63.57	63.57
Loans	15	5.43	-	-	5.43	5.43
Other current financial assets	16	15.46	-	-	15.46	15.46
Other non current financial assets	8	61.38	-	-	61.38	61.38
		7,753.82	**-**	**-**	**7,753.82**	**7,753.82**
Financial liabilities not measured at fair value*						
Trade payables	20	3,309.95	-	-	3,309.95	3,309.95
Other current financial liabilities	21	201.79	-	-	201.79	201.79
		3,511.74	**-**	**-**	**3,511.74**	**3,511.74**

31 MARCH 2023 (₹ in Lakhs)

	Note	Amortized Cost	Financial assets / liabilities at fair value through profit and loss	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
Financial assets not measured at fair value*						
Trade receivables	12	2,706.76	-	-	2,706.76	2,706.76
Cash and cash equivalents	13	4,514.17	-	-	4,514.17	4,514.17
Other bank balances	14	52.94	-	-	52.94	52.94
Loans	15	10.82	-	-	10.82	10.82
Other current financial assets	16	7.96	-	-	7.96	7.96
Other non current financial assets	8	46.62	-	-	46.62	46.62
		7,339.27	**-**	**-**	**7,339.27**	**7,339.27**
Financial liabilities not measured at fair value*						
Trade payables	20	2,759.03	-	-	2,759.03	2,759.03
Other current financial liabilities	21	122.59	-	-	122.59	122.59
		2,881.62	**-**	**-**	**2,881.62**	**2,881.62**

*Financial assets and liabilities include cash and cash equivalents, other balances with banks, trade receivables, other financial assets, trade payables and other financial liabilities whose fair values approximate their carrying amounts largely due to the short term nature of such assets and liabilities.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

B. Measurement of fair values

(i) Valuation techniques and significant unobservable inputs.

Level 1: Fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2: Fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data

(ii) Valuation techniques used to determine fair value "

Specific valuation techniques used to value the financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

(iii) Valuation processes

The finance team performs the valuation of financial assets and liabilities required for financial reporting purposes.

C. Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate limits and controls and to monitor risks and adherence to limits. The Company, through its training and established procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The nature of the Company's business exposes it to a range of financial risks. These risks include:

(i) credit risk;

(ii) liquidity risk; and

(iii) market risk.

(i) Credit risk:

Credit risk refers to the risk that a counterpart will default on its contractual obligations resulting in financial loss to the Company. As at March 31, 2024, the company's maximum exposure to credit risk without taking into account any collateral held or other credit enhancements which will cause a financial loss to the group due to failure to discharge an obligation by the counterparties and financial guarantees provided by the company arises from the carrying amount of the respective recognized financial assets as stated in the balance sheet.

a. Cash and bank balance

Credit risk from balances/ fixed deposits banks is managed in accordance with the Company's risk management policy. Investments of surplus funds are made only with approved counterparties and within limits assigned to each counterparty. The limits are assigned based on corpus of investable surplus and corpus of the investment avenue. The limits are set to minimize the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk on account of deposits with banks is as mentioned below -

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Balances with banks in the form of-		
Current Accounts	2,482.59	2,341.91
EEFC Accounts	835.69	559.41
Fixed Deposits	1,619.44	1,613.72
Total	**4,937.71**	**4,515.04**

(ii) Liquidity risk:

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for management of the company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company's principal sources of liquidity are cash and cash equivalents and cash flow that is generated from operations. The Company has no outstanding bank borrowings. The Company believes that the current working capital is sufficient to meet its current obligatory requirements. Accordingly, no liquidity risk is perceived.

As on 31 March 2024, the Company had a working capital of ₹ 5,735.06 lakhs (as on 31 March 2023 ₹ 6,619.17 lakhs) including cash and cash equivalents and other bank balance of ₹ 5,000.18 lakhs (as on 31 March 2023 ₹ 4,567.11 lakhs). The working capital of the Company for this purpose has been derived as follows:

(₹ in Lakhs)

Particulars	31 March, 2024	31 March, 2023
Total current assets (A)	10,220.52	10,033.71
Total current liabilities (B)	4,485.49	3,414.54
Net working capital (A-B)	**5,735.03**	**6,619.17**

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments-

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-5 years	more than 5 years	Total
Trade payables	3,167.23	142.42	0.30	-	3,309.95
Other financial liabilities	201.79	-	-	-	201.79

The table below provides details regarding the contractual maturities of significant financial liabilities as of 31 March 2023 -

(₹ in Lakhs)

Particulars	Less than 1 year	1-2 years	2-5 years	more than 5 years	Total
Trade payables	2,747.71	11.32	-	-	2,759.03
Other financial liabilities	122.59	-	-	-	122.59

(iii) 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- such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Market risk comprises of:

a. Interest rate risk

b. Foreign currency risk

Financial instruments affected by market risk include other financial assets, trade receivables and trade payables.

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. Since the Company does not have any financial instrument with variable interest rates, it is not exposed to interest rate risk.

b. Foreign currency 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). The foreign currency to which the Company is majorly exposed to are US Dollars, EURO and GBP.

The following tables demonstrate the sensitivity to a reasonably possible change in USD, EURO and GBP exchange rates, with all other variables held constant -

Exposure to Currency Risk

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2024 :

₹ in Lakhs (₹ equivalent of foreign currencies)

Particulars	EURO	GBP	USD	AED	Total
Cash and cash equivalents	72.89	167.99	594.82	-	835.70
Trade receivables	545.29	409.65	949.08	-	1,904.02
Trade payables	(47.41)	(3.50)	(198.35)	-	(249.26)
Other current assets	40.68	29.98	119.34	-	190.00
Other current liabilities	-	-	(185.92)	-	(185.92)
Total	**611.45**	**604.12**	**1,278.97**	**-**	**2,494.54**

The following is the Company's exposure to currency risk from financial instruments as of 31 March 2023 :

₹ in Lakhs (₹ equivalent of foreign currencies)

Particulars	EURO	GBP	USD	AED	Total
Cash and cash equivalents	146.82	45.75	366.83	-	559.40
Trade receivables	537.31	545.86	539.12	(2.23)	1,620.06
Trade payables	(66.47)	(12.44)	(119.92)	-	(198.83)
Other current assets	28.48	15.72	-	-	44.20
Other current liabilities	-	-	-	-	-
Total	**646.14**	**594.89**	**786.03**	**(2.23)**	**2,024.83**

Sensitivity Analysis

A reasonable possible strengthening / (weakening) of the major currencies US Dollar, EURO or GBP against all other currencies as at 31 March 2023 would have affected the measurement of financial instruments (including derivatives) denominated in a foreign currency and affected equity and profit by the amounts shown below. This analysis assumed that all other variables, in particular interest rates, remain constant and ignores any impact of the forecast sales and purchases.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Year ended on	Currency	Change in foreign exchange rate	Impact on profit before tax gain / (loss)
31 March 2024			
	EURO	+ 5%	30.57
		- 5%	(30.57)
	GBP	+ 5%	30.21
		- 5%	(30.21)
	USD	+ 5%	63.95
		- 5%	(63.95)
31 March 2023			
	EURO	+ 5%	32.31
		- 5%	(32.31)
	GBP	+ 5%	29.74
		- 5%	(29.74)
	USD	+ 5%	39.30
		- 5%	(39.30)

Note 1

Financial assets carried at fair value as at 31 March 2024 is ₹ Nil and financial assets carried at amortized cost as at 31 March 2024 is ₹ 7753.82 lakhs. The Company has assessed the counterparty credit risk in connection with Cash and cash equivalents, bank deposits and earmarked balances with banks amount to ₹ 4,936.62 lakhs as at 31 March 2024 where the Company has assessed the counterparty credit risk.

Trade receivables amounting to ₹ 2,671.36 lakhs as at 31 March 2024 is valued at considering provision for allowance under the expected credit loss method. This assessment is based on the likelihood of the recoveries from the customers in the present situation. The Company closely monitors its customers who are going through financial stress and assesses actions such as change in payment terms, recognition of revenue on collection basis etc., depending on severity of each case.

Basis this assessment, the allowance for doubtful trade receivables is considered adequate.

37 EMPLOYEE BENEFITS

Defined contributions plans

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards Provident Fund, Labour Welfare Fund and Superannuation Scheme, which are the defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognized as an expense towards defined contribution plans for the year for provident fund and superannuation scheme aggregated to ₹ 93.63 Lakhs (31 March 2023: ₹ 79.35 Lakhs).

Defined benefit plans

Gratuity

The company sponsors defined benefit plans for qualifying employees. The defined benefit plans are administered by a separate fund that is legally separated from the entity. The trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders in the plan. The trustees of the pension fund are responsible for the investment policy with regard to the assets of the fund. Under the plans, the employees are entitled to post-retirement yearly instalments amounting to 15 days salary for each year of completed service at the time of retirement / exit. The scheme is funded by plan assets.

The most recent actuarial valuations of the planned assets and the present value of the defined benefit liability were carried out at March 31, 2024 by appointed actuaries. The present value of the defined benefit liability, and the related current service cost and past service cost, were measured using the projected unit credit method.

The following table summarizes the position of assets and obligations relating to the plan.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Assets and Liabilities related to employee benefits:

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Present Value of Defined benefit obligations	(473.76)	(427.28)
Fair value of Plan Assets	422.72	371.18
Net Liability arising from defined benefit obligation	**(51.04)**	**(56.10)**

a) Gratuity is payable to all eligible employees of the Company on superannuation, death, and permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972.

b) The discount rate is based on the prevailing market yields Indian Government securities as at the Balance Sheet date for the estimated term of the obligations.

c) The Company's gratuity fund is managed by Life Insurance Corporation of India, details of those funds invested by LIC are not readily available with the Company.

Movements in the present value of defined benefit obligations in the year were as follows:

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Opening defined benefit obligation	427.28	416.95
Interest cost	31.22	30.09
Current service cost	26.15	26.98
Remeasurement - Actuarial (Gains)/Losses		
Due to Change in Demographic Assumptions	3.02	0.97
Due to Change in Financial Assumptions	5.51	(6.78)
Due to Experience	13.73	0.85
Benefits paid from plan	(33.14)	(41.78)
Closing defined benefit obligation	**473.76**	**427.28**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Movements in the fair value of plan assets in the year were as follows:

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Opening fair value of Plan Assets	371.18	374.02
Interest income	27.01	26.97
Contributions from the Employer	61.92	11.94
Benefits paid from plan assets	(33.14)	(41.78)
Remeasurement - Actuarial (Gains)/Losses		
Return on plan assets (excluding interest income)	(4.24)	0.02
Closing fair value of Plan Assets	**422.72**	**371.18**

Amounts recognized in profit or loss in respect of these defined benefit plans are as follows:

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Current service cost	26.15	26.98
Interest cost on benefit obligation	31.22	30.09
Interest income on plan assets	(27.01)	(26.97)
Components of defined benefit plans recognised in profit or loss	**30.36**	**30.10**

Amounts recognised in other comprehensive income are as follows:

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	4.19	0.97
Actuarial (Gains)/Losses on Obligations -Due to Change in Financial Assumptions	7.45	(6.78)
Actuarial (Gains)/Losses on Obligations -Due to Experience	20.82	0.85
Return on plan assets (excluding interest income)	4.61	(0.02)
Total remeasurements included in OCI	**37.07**	**(4.99)**

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

The following table provides details of the cash flows of employee benefit plans

All amounts in ₹ Lakhs unless otherwise stated

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Expected cash flows for following year		
Expected total benefit payments		
Year 1	158.56	28.98
Year 2	36.31	27.99
Year 3	62.01	54.96
Year 4	37.16	91.52
Year 5	35.10	64.06
Next 5 years	169.50	136.37

The major category of plan assets as a percentage of the fair value of total plan assets are as follows

	Gratuity (Funded)	
	31 March 2024	31 March 2023
Investment with insurer	100%	100%

The following are the principal actuarial assumptions for gratuity at the reporting date (expressed as weighted averages):

(i) Actuarial assumptions

(₹ in Lakhs)

	31 March, 2024	31 March, 2023
Expected rate of return on plan assets #	7.19%	7.50%
Discount rate	7.19%	7.50%
Age of retirement	58-60 years	58-60 years
Attrition rate	10.00%	4.00%
Future salary increase #	7.00%	7.00%
Mortality	Indian Assured Lives Mortality (2006-08) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

(ii) Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

All amounts in ₹ Lakhs unless otherwise stated

	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Gratuity (funded):				
Discount rate (1% movement)	17.17	19.00	25.21	28.42
Future Salary growth (1% movement)	17.16	16.24	26.21	24.13
Attrition (1% movement)	0.94	0.56	0.78	0.91

Although, the analysis does not take account of full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

38 DISCLOSURE FOR REVENUE FROM CONTRACTS WITH CUSTOMERS :

All amounts in ₹ Lakhs unless otherwise stated

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Revenue recognized from contracts with customers		
Disaggregation of revenue		
Based on type of goods		
- Sale of crucible	16,730.49	15,395.51
- Sale of scrap	62.94	63.40
Based on market/type of customer		
- Domestic	8,876.89	8,065.22
- Export	7,916.54	7,393.69

Performance obligations

The Company satisfies its performance obligations pertaining to the sale of crucibles at point in time when the control of goods is actually transferred to the customers. No significant judgment is involved in evaluating when a customer obtains control of promised goods. The payment is generally due within 45-60 days.

The Company is obliged for refunds due to shortages during the mode of transportation. There are no other significant obligations attached in the contract with customer.

Transaction price

There is no remaining performance obligation for any contract for which revenue has been recognized till period end. Further, the Company has not applied the practical expedient as specified in para 121 of Ind AS 115 as the Company do not have any performance obligations that has an original expected duration of one year or less or any revenue stream in which consideration from a customer corresponds directly with the value to the customer of the entity's performance completed to date.

Determining the timing of satisfaction of performance obligations

There is no significant judgements involved in ascertaining the timing of satisfaction of performance obligations, in evaluating when a customer obtains control of promised goods, transaction price and allocation of it to the performance obligations.

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

Determining the transaction price and the amounts allocated to performance obligations

The transaction price ascertained for the only performance obligation of the Company (i.e. Sale of goods) is agreed in the contract with the customer. There is no variable consideration involved in the transaction price except for refund due to shortages which is adjusted with revenue.

39 VOLUNTARY RETIREMENT SCHEME

During the year ended March 31, 2024, the Company had initiated the discussions with the workers for the Voluntary Retirement Scheme (VRS). The Board of Directors in their meeting held on February 13, 2024 have approved the Voluntary Retirement Scheme 2023-24 ("Scheme"). The Company has considered a provision of ₹ 321.08 lakhs and reported the same as exceptional item in the Financial statements.

40 GOODWILL

Following is the summary of changes in carrying amount of goodwill:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2024	Year ended 31 March, 2023
Balance at the beginning of the year	137.81	137.81
Impairment	-	-
Balance at the end of the year	137.81	137.81

The Company tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. The Company has identified a single cash generating unit ("CGU") based on the business. The recoverable amount of CGU is determined based on higher of value-in-use and fair value less cost to sell. The recoverable value was determined by value in use in cases where there is no basis for making a reliable estimate of the price at which an orderly transaction to sell the asset would take place between market participants at the measurement date under current market conditions. In determining the value in use, cash flow projections from financial budgets approved by senior management have been considered.

Market related information and estimates are used to determine the recoverable amount. Key assumptions on which management has based its determination of recoverable amount include estimated long-term growth rates, weighted average cost of capital and estimated operating margins. Cash flow projections are considered for next 5 years and consider past experience and represent management's best estimate about future developments. Cash flows beyond the five-year period are extrapolated using a 2% growth rate. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 12%. An analysis of the sensitivity of the computation of recoverable amount to a change in key parameters, based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount other than the amount.

41 TRANSFER PRICING

The Company has developed a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under section 92-92F of the Income Tax Act, 1961. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expense and that of provision for taxation.

During the earlier years the Company has applied for Advance Pricing Agreement (APA) before the Central Board of Direct Tax (CBDT) and Government of India for International Inter-company related party transactions with Associated Enterprises (AE). The Company has entered into in APA agreement with CBDT dated 18 August 2021 for 5 years ended 31 March 2021.

The Company has also filed application for renewal of APA agreement for five years (FY 2021-22 to 2025-26) on 26 March 2021 and current tax working for FY 2023-24 is calculated based on the APA agreement signed on 18th August 2021 for 5 years ended 31 March 2021.

The Domestic Transfer Pricing Regulations as prescribed under section 92BA of the Income Tax Act, 1961 was introduced from April 1, 2012. The Company has been consistently transacting with related parties on an Arm's Length basis in accordance

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

with the Group Transfer Pricing Policy. The Company is of the opinion that there will be no significant changes to Arm's length price under determination in order to comply with the requirement of section 92BA of Income Tax Act. Hence, there will be no material impact on the financial statements.

42 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.

43 OTHER INFORMATION

a) The Company did not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 during the financial year except as mentioned in Note 12.

b) The Company does not have any Benami property, where any proceedings have been initiated or are pending against the Company for holding any Benami property.

c) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

d) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

e) The Company have not advanced or loaned or invested funds (either from borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

   (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

   (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

f) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

   (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

   (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

g) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey).

Notes to financial statements

FOR THE YEAR ENDED MARCH 31, 2024

44 RATIOS AND ITS ELEMENTS

Ratios	31 March 2024	31 March 2023	% change
Current ratio^			
Current assets/ Current liabilities	2.28	2.94	-22%
Debt - Equity ratio			
Total debt/ Shareholders equity	Not applicable	Not applicable	--
Debt service coverage ratio			
EBITDA (excluding non-cash expenses)/ Interest + principal repayments	Not applicable	Not applicable	--
Return on Equity ratio *			
Net profit after tax - Preference dividend (if any)/ Equity shareholder's funds * 100	18.40%	12.92%	42%
Inventory turnover ratio^			
Cost of goods sold/ average inventory	2.88	3.00	-4%
Trade receivables turnover ratio^			
Sales/ average receivables	6.25	5.30	18%
Trade payable turnover ratio^			
Net credit purchases/ average payables	2.04	2.62	-22%
Net capital turnover ratio ^			
Sales (includes only revenue from operation)/ Capital employed = total assets - current liabilities	2.93	2.34	25%
Net profit ratio *			
Net profit / Sales	13.82%	10.45%	32%
Return on capital employed (%)*			
Earnings before interest and tax (EBIT)/ Capital employed = total assets - current liabilities	28.16%	17.58%	60%
Return on investment (%)			
Finance income/ Investment	Not applicable	Not applicable	--

^ There is no significant change (i.e. change of more than 25% as compared to the immediately previous financial year) in the key financial ratios.

* There is an increase in profits by about 45% in the current year as compared to previous year due to the factors below :

1. Increase in total revenue from operations by 8.63% in the current year as compared to previous year is attributable to increased demand in sales and new customers.
2. There is reduction in cost of goods sold due to cost optimization programmes.

For and on behalf of the Board of Directors of
Morganite Crucible (India) Limited
CIN: L26920MH1986PLC038607

Jonathan Percival
Director
DIN : 09701284

Place : Aurangabad
Date : 21 May 2024

Aniruddha Karve
Director
DIN : 07180005

Place : Aurangabad
Date : 21 May 2024

Hanumant Mandale
Chief Financial Officer

Place: Aurangabad
Date : 21 May 2024

Pooja Jindal
Company Secretary

Place: Aurangabad
Date : 21 May 2024

Notice

NOTICE is hereby given that the 39th Annual General Meeting ("AGM") of the Members of Morganite Crucible (India) Limited will be held on Tuesday, August 13, 2024 at 11:00 am (IST) at the Register Office of the Company at B-11 MIDC Industrial Area, Waluj, Aurangabad, Maharashtra, India, 431136 physical to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2024 along with the reports of the Board of Directors and the Statutory Auditors thereon.

2. To confirm the payment of Interim Dividend on Equity Shares and to declare Final Dividend on Equity Shares for the financial year ended March 31, 2024.

3. To re-appoint Mr. Jonathan Percival (DIN: 09701284) as a Director of the Company who retires by rotation and being eligible, offers himself for re-appointment.

By Order of the Board of Directors of
Morganite Crucible (India) Limited

Pooja Jindal
Date: May 21, 2024 Company Secretary &
Compliance Officer

NOTES:

1. Pursuant to the provisions of the Companies Act, 2013, 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. The AGM is being held physically, hence attendance of Members at the registered office is required for attending the meeting. Accordingly, the facility for appointment of proxies by the Members will be available for the AGM and hence the proxy form and attendance slip is annexed to the Notice. The registered office of the Company shall be the venue for the AGM. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

2. The 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 Physically at the registered office of the company on its behalf and to vote at the meeting. The said Resolution/Authorization shall be sent to the Company Secretary or authorised representative of the Company at e-mail ID pooja.jindal@morganplc.com.

3. In accordance with the aforesaid MCA Circulars and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD /CMD2 /CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/ CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/ CFD/PoD-2/P/CIR/2023/4 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR /2023/167 dated October 7, 2023 issued by Securities Exchange Board of India (collectively referred to as "SEBI Circulars"), the Notice of the AGM along with the Annual Report for FY 2023-24 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories".

4. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2023-24 will also be available on the Company's website at www.morganmms.com and websites of the Stock Exchange i.e. Bombay Stock Exchange Limited at www.bseindia.com. Members can attend and participate in the Annual General Meeting physically at the registered office.

5. The Members attending the meeting physically shall be counted for the purposes of reckoning the quorum under Section 103 of the Companies Act, 2013.

6. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, August 7, 2024 to Tuesday, August 13, 2024 (both days inclusive).

7. The Final Dividend for the financial year ended March 31, 2024, as recommended by the Board, if approved by the Members, shall be paid within 30 days from the date of declaration to those Members whose names appear in the Register of Members of the Company as on August 6, 2024.

8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) for participating in the securities market, deletion of name of deceased holder, transmission/transposition of shares. Members are requested to submit the PAN details to their Depository Participant in case of holdings in dematerialized form and to the Company's Registrars

and Transfer Agents, mentioning your correct reference folio number in case of holdings in physical form.

9. Members desiring any information with regard to the financial statements or any matter are requested to write to the Company before 10 days in advance so as to enable the management to keep the information ready.

10. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Tuesday, August 6, 2024, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means.

11. The voting period begins on Saturday, August 10, 2024 at 09.00 am and ends on Monday, August 12, 2024 at 05.00 pm. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 6, 2024, may cast their vote electronically. The e-voting module shall be disabled by Link Intime for voting thereafter.

12. The Company has appointed M/s. Prajot Tungare & Associates, Practising Company Secretaries, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

13. The Register of Directors and Key Managerial Personnel and their shareholdings, maintained under Section 170 of the Act and other registered required to be kept for inspection will be available at the meeting for inspection by the Members.

14. Members are requested to register their changed address / email ID, if any, with the concerned DPs for holding shares in dematerialised form.

15. Those members who have not registered their email address with the Company or wish to update a fresh email address may do so by submitting the enclosed E-mail Registration cum- Consent Form to the Company or the Registrar and Transfer Agent of the Company consenting to send the Annual Report and other documents in electronic form at the said e-mail address.

16. The facility for voting through electronic voting system will be made available and the members attending the AGM physically, who have not cast their vote by remote e-voting, may exercise their right to vote at the AGM through E-Voting.

17. The Company have entered into an arrangement with Link Intime India Private Limited for facilitating remote e-voting for AGM.

18. Registrar and Transfer Agent (“RTA”) pursuant to the Order passed by National Company Law Tribunal (NCLT) dated December 18, 2023, TSR Consultants Private Limited has merged with Link Intime India Private Limited with effect from December 22, 2023. Accordingly, the name of RTA of the Company is changed from TSR Consultants Private Limited to Link Intime India Private Limited (Link Intime / RTA).

19. Final Dividend for FY 2023-24:

    The Board of Directors at its meeting held on May 21, 2024, has recommended a final dividend of Rs. 12 per equity share. The Record date fixed for determining entitlement of Members to final dividend for the financial year ended March 31, 2024, if approved at the AGM, is Tuesday, August 6, 2024.

    If the final dividend is approved at the AGM, payment of such dividend subject to deduction of tax at source (“TDS”) will be made within 30 days of AGM date, as under:

    i. To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the Depositories, as of close of business hours on Tuesday, August 6, 2024.

    ii. To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Company as of the close of business hours on Tuesday, August 6, 2024.

    SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021 (subsequently amended by Circular Nos. SEBI/HO /MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated December 14, 2021, SEBI/HO /MIRSD/MIRSD-PoD-1/P/CIR/2023/37 March 16, 2023 and SEBI/HO /MIRSD/ POD-1/P/CIR/2023/181 November 17, 2023) has mandated that with effect from April 1, 2024, dividend to security holders (holding securities in physical form), shall be paid only through electronic mode. Such payment shall be made only after furnishing the PAN, contact details including mobile number, bank account details and specimen signature.

Remote e-Voting Instructions for shareholders:

In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to "e-voting

Facility Provided by Listed Entities", the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

Login method for Individual shareholders holding securities in demat mode is given below:

1. Individual Shareholders holding securities in demat mode with NSDL:

   a. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsdl.com either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login"" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password.

      After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page.

      Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

   b. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp.

      On completion of the registration formality, follow the steps provided above.

   c. Shareholders may alternatively vote through the e-voting website of NSDL in the manner specified below.

      Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

      Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open.

      You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen.

      After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

2. Individual Shareholders holding securities in demat mode with CDSL:

   a. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password.

      The option will be made available to reach e-Voting page without any further authentication.

      The users to login Easi / Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password.

   b. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company.

      On clicking the evoting option, the user will be able to see evoting page of the e-Voting service provider i.e. LINKINTIME for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

      Additionally, there are also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

      If the user is not registered for Easi/Easiest, the option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option.

3. Alternatively, the user can directly access the e-Voting page by providing Demat Account Number and PAN No.

from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, the user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

4. Individual Shareholders (holding securities in demat mode) login through their depository participants. You can also login using the login credentials of your demat account through your Depository Participant registered with CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on the company name or e-Voting service provider name i.e. LinkIntime and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

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

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

   A. User ID:

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

   B. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders 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 holding shares in physical form but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above

   *Shareholders holding shares in NSDL form, shall provide '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).

3. Click on 'Login' under **'SHARE HOLDER'** tab.

4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on **'Submit'**.

Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select **'View'** icon.

2. E-voting page will appear.

3. 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).

4. 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.

Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL 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.

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at enotices@linkintime.co.in or contact on: - Tel: 022 – 4918 6000.

Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on the e-Voting website of Link Intime: https://instavote.linkintime.co.in

- o Click on **'Login'** under **'SHARE HOLDER'** tab and further Click **'forgot password?'**
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders 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.

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- ➢ 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 this 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".

By Order of the Board of Directors of
Morganite Crucible (India) Limited

Pooja Jindal
Date: May 21, 2024
Company Secretary &
Compliance officer

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mukund Bhogale
Chairman & Independent Director

Aniruddha Karve
Director

Martin Coll
Director
(Up to May 30, 2023)

Jonathan Percival
Director

Nitin Sonawane
Manager & Director
(Up to May 21, 2024)

Maithilee Tambolkar
Independent Director

Subhash Kolapkar
Independent Director
(Up to May 30, 2023)

Ulhas Gaoli
Independent Director
(From May 30, 2023)

KEY MANAGERIAL PERSONNEL

Nitin Sonawane
Manager & Director
(Up to May 21, 2024)

Hanumant Mandale
Chief Financial Officer

Rupesh Khokle
Company Secretary
(up to Aug 31, 2023)

Pooja Jindal
Company Secretary
(From Nov 20, 2023)

AUDITORS

Deloitte Haskins & Sells LLP
Chartered Accountant
706, 'B' Wing, 7th Floor,
ICC Trade Tower,
Senapati Bapat Road,
Pune – 411 016

Firm Registration No:
117366W/W-100018

SECRETARIAL AUDITORS

Prajot Tungare & Associates
Company Secretaries
Firm Reg. No. P2001MH010200
PR No. 993/2020
529/1, 2nd Floor, Shraddha Chambers,
Near Ramakrishna Math,
Opp. Dandekar Bridge, Sinhagad Road
Pune 411030

BANKERS

Axis Bank Limited
State Bank of India
The Hongkong and Shanghai
Banking Corporation Limited
IndusInd Bank Limited

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited
CIN: U67190MH1999PTC118368
C 101, 247 Park, L B S Marg,
Vikhroli West, Mumbai – 400 083
Tel No.: +91 22 49186000
Fax: +91 22 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

REGISTERED OFFICE AND PLANT LOCATION

Morganite Crucible (India) Limited
Unit: Aurangabad B-11,
MIDC Waluj,
Aurangabad – 431 136,
Maharashtra

CORPORATE IDENTITY NUMBER (CIN) OF THE COMPANY

L26920MH1986PLC038607

Morgan
Advanced Materials

MORGANITE CRUCIBLE (INDIA) LIMITED

CIN : L26920MH1986PLC038607
B-11, MIDC, Waluj, Aurangabad - 431 136. Maharashtra, INDIA
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Email : Sales.India@morganplc.com
Web : www.morganmms.com